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Near East & South Asia

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Military Cooperation Between China, Middle East
92AE0191A London AL-HAYAH in Arabic 16 Jan 92
p 8

[Article: "Military Cooperation Relations Between China, Middle East, in Light of New World Order"]

[Text] Until the recent past, it was impossible to consider China as one of the main arms exporters to the Middle East region. On the contrary, its role in this field throughout the sixties and seventies—and even into the mid-eighties—was no more, in practice, than that of a secondary exporter to certain countries of the region, which usually obtained relatively small quantities of generally out-dated arms and equipment of limited effectiveness.

The reason for that relates to Chinese weapons themselves and to political and strategic factors, which were marked by the system of alliances and regional relations in the Middle East at the time.

On the political and strategic level, the countries of the region did not need to obtain their armament requirements from China, with the exception of a few types of weapons of no real strategic value, since the nature of the polarized international situation that characterized world relations and alliances throughout the period after World War II held true, in turn, for the Middle East. This simply meant that the nations of this region were inclined to obtain weapons either from the United States and the principle European arms producers like Britain and France, if they were "Western" in approach and orientation; or from the Soviet Union and the countries of the Socialist bloc in Eastern Europe, if the governments of those Arab, Middle Eastern countries were linked by friendly relations or alliance with the Soviet Socialist camp.

Copies of Old Weapons

On the purely military level, the Chinese arms industry was not modern or developed enough to be able to compete with the principle arms industries in the United States, Soviet Union, and Western Europe. On the contrary, the Chinese industry for decades was—and still is even now, to a lesser degree—limited to producing copies, either totally similar or locally partially modified, of old Soviet weapons and equipment whose development and production roots go back to the fifties and sometimes to the forties. This is a nearly complete picture for various kinds of principle weapons, such as tanks, armored cars, combat airplanes, missiles, and field artillery; and also, to differing degrees, for other remaining support weapons and ammunition.

The main type of Chinese-made combat tanks for the past quarter-century, the Type-59, or T-59 as it is also known, was merely a copy of the Soviet T-54 tank that the Soviet Army first used in the early fifties. While the Soviet tank industry went on through the seventies and eighties to produce the more advanced and effective

models—the T-72, T-74, and T-80—and then exported these tanks widely to allied and friendly countries throughout the world, Chinese tank production, at the same time, advanced to the T-69, which was no more than an improved version of the T-59. In practice, this model was equal in capabilities and technology to the improved models of the Soviet T-54 tank, which was the T-55, put into service in the middle fifties.

This same matter holds true, for example, for the fighter and bomber aircraft industry in China. The principle fighter model in the Chinese Air Corps continued for several decades to be, and still is, to a considerable degree now, the Jian-6. This is also known as the F-6, and it is merely a copy of the Soviet MiG-19, which was produced during the fifties and was phased out of active Soviet service in the mid-seventies. While the Soviets subsequently produced whole families of interceptors, and attack and multi-purpose aircraft, such as the MiG-23, MiG-25, MiG-27, Sukhoi-7, Sukhoi-17, Sukhoi-20/22, Sukhoi-24, etc., up to the present generation of advanced Soviet aircraft—like the MiG-29, MiG-31, and Sukhoi-27—the Chinese aircraft industry is still totally committed to production of the Jian-7, or F-7, as it is also known, which is nothing more than a copy of the Soviet MiG-21 fighter. To be precise, the first models of the F-7 began to appear in the late fifties and early sixties, but the main fighter aircraft that China currently is exhibiting in world markets is the F-7M Airguard. This is an improved version of the F-7, that is, of a Soviet aircraft whose technological roots go back to the fifties.

Suitable Source

All this does not mean that Chinese arms are useless for foreign markets, or that China was not a source to turn to, as needed, by countries who were facing difficulties in obtaining weapons from the principal international sources. Indeed, this was precisely the role that China played in exporting military weapons and equipment to Third World countries and to the Middle East throughout the sixties, seventies, and most of the eighties. China was a suitable source for cheaply-priced and relatively uncomplicated weapons for countries whose political, military, or financial considerations precluded them from obtaining their defensive requirements directly from one of the two superpowers or from the principal Western European nations. In addition, China, during the past few years, emerged in another, considerably more important and politically and strategically sensitive role. This is manifested by China's willingness—openly, tacitly, or covertly—to export specific types of weapons, and military technological expertise associated with specific offensive and strategic fields, to countries or regions that the main arms-exporting countries in the world wanted to keep free of such weapons.

Perhaps this new role is the reason behind the significant increase in recent regional and international interest in Chinese policy on exporting arms and military equipment to Third World areas, especially the Middle East.

Moreover, it is undoubtedly considered one of the basic factors that must be dealt with in current attempts to put controls and restrictions on regional arms races, particularly those connected with weapons of mass destruction.

At the present time, there is a considerable amount of criticism from international defense and diplomatic circles, particularly in the United States, against China's policies on exporting weapons and military expertise to the Third World, and more precisely, to the Middle East. Certain aspects of this criticism might have some justification, but some of it merely stems from considerations that are difficult to believe are really based on an international desire to curb the proliferation of weapons, particularly weapons of mass destruction. In any event, China totally rejects this criticism. In various official responses to it, China concentrates on the fact that it does not pursue military cooperation with the outside world unless it is pursued and, even now, there are still other industrial arms-exporting nations in the world.

The Chinese Reply

In this Chinese response to international criticism against it, there is a basic aspect of truth. Ultimately, China's export of weapons and military and technological services is not radically different from that of the United States, Soviet Union, or other nations like France and Britain, which are completely prepared to export them to allied and friendly nations in the world. However, the difference here lies in two main points. (1) On the one hand, there is a strategic consideration, represented in what has become known as the new world order, which has begun to mark international relations since the collapse of the Soviet Union and the Socialist camp. Clearly, China has not yet decided to enter this new order or be committed to its principles. From this point of departure, one could say that China is still following its foreign arms policies in a manner that, in its considerations and motives, goes back to the old international polarization situation that existed before, but is no longer compatible with strategic situations that characterize international relations now. (2) On the other hand, Chinese foreign armament policy, especially in the Middle East, is marked by its reliance—perhaps more than necessary—on commercial factors, represented by the desire to obtain the hard currency from arms export deals and trade, military, and technological cooperation agreements, even if at the expense of the standards of balance of power and the need to maintain elements of stability, particularly in areas and regions marked by political and military instability. The result of such directions in Chinese arms-export policies is usually China's agreement to provide specific countries with "sensitive" equipment and services which, it could be supposed, those countries would have considerable difficulty in obtaining from other international sources; or to provide those countries with "traditional" arms and equipment when the main international powers probably do not want those countries to obtain material that

would guarantee strengthening their military capabilities. This could be due to any number of political and strategic considerations. Naturally, we can see here certain elements that would anger and upset the international community and would impel the community to try to get Beijing to change this direction. The latest attempts, and possibly the most important, were those recently made by U.S. Secretary of State James Baker with the Chinese leadership during his official visit to Beijing. The purpose was to persuade China to refrain from exporting offensive weapons, such as surface-to-surface ballistic missiles and technological cooperation services in the field of developing chemical, biological, and nuclear weapons of mass destruction to Middle East countries, and to cooperate with the United States and Soviet Union to end the spread of these arms and technologies in that region. However, so far there has been nothing to indicate that the American Secretary of State was successful in his efforts, despite the fact that Beijing may have advised the United States of its agreement—at least in principle—to reduce its exports of "sensitive" weapons, such as medium-range surface-to-surface missiles, to the Middle East, if that were to be done by means of a general comprehensive international agreement not to export such weapons to the region.

China in the Middle East

Since the early eighties, China's importance as an arms-exporter to the Middle East has increased considerably. The credit for this can basically be attributed to the Iran-Iraq War, during which Beijing played a principal role in supplying both sides equally with large quantities of arms and materiel that they then needed. However, the escalation of the Chinese role began, in practice, before that, through Egypt, which turned China into an important source of military equipment during the second half of the seventies.

With the deterioration of Egyptian-Soviet relations, and Cairo's raising the banner of "diversification of arms sources" during late president Anwar al-Sadat's regime, the Egyptian [armed] forces experienced an acute problem. This was represented by the cutoff of Soviet weapons, along with the spare parts, maintenance, and ammunition required for them. The armed forces could not immediately replace the Soviet-made arms in their inventory with other Western arms, or at least with sufficient quantities of new Western arms, because of political and economic considerations.

Therefore, during the second half of the seventies, Egypt found in China a very suitable source. It was evident that the Egyptian forces could obtain much of the spare parts and ammunition required for its Soviet arms, in the form of Chinese weapons, which were basically copies of that Soviet equipment. Moreover, China began to provide Egypt with weapons in quantities that were guaranteed to compensate for the shortfall in Egypt's inability to obtain modern Western or Soviet arms. At the same time, China was prepared to join Egypt in a program of military production cooperation to manufacture Chinese

weapons locally. This was one of the goals of Egypt's military and industrial strategy.

For several years, the Egyptian armed forces obtained important quantities of Chinese-made weapons, all of which were of Soviet design and relatively old models, in comparison to the Western and Soviet camps' accomplishments at that time. However, despite that, Egypt was fulfilling its desired objective by obtaining weapons during this transitional period. The most important weapons included:

- F-6 (MiG-19) and later the F-7 (MiG-21) fighter plane, which Egyptian factories assembled locally for both the Egyptian and Iraqi Air Forces;
- HQ-2 (SAM-2) and HN-5 (SAM-7) anti-aircraft missiles;
- T-33 (Romeo-class) submarines of Soviet origin;
- Jianghu-class destroyers and Hegu (Komar) missile boats;
- Shanghai and Hounan class gunboats;
- Hai Ying-2 surface-to-surface anti-ship missiles, known as Silkworms, (which is a copy of the Soviet Styx missile).

The Iran-Iraq War

Immediately after the outbreak of the Iran-Iraq War, and because of the difficulties that both sides of the conflict faced in obtaining combat requirements from the "usual" world sources, both East and West (for Iran, throughout all stages of the war, and during at least part of it for Iraq), China furnished both of them with weapons on a wide scale.

In fact, China's role was decisive in enabling Iran to continue to wage war during a stage in which the Iranian forces reached a very critical point. The Iranian forces were unable to operate the Western and—more precisely—American weapons in its inventory. There was a lack of necessary spare parts, maintenance, and ammunition because of the international embargo imposed upon this materiel. The result was Tehran's increased dependence on Beijing as a main source of weapons and equipment, including T-59 tanks, armored cars, field artillery, missile launchers, anti-aircraft weapons, and ammunition of all types, in addition to F-6 (MiG-19) and F-7 (MiG-21) fighters, Silkworm surface-to-surface missiles, and surface-to-surface short-range Frog and medium-range Scud missiles.

The importance of China's entry into several production cooperation programs with Iran to develop certain types of weapons for local manufacture, especially surface-to-surface missiles, is the fact that Iran has continued to produce several types of them with the assistance of Chinese technical and manpower support.

Chinese arms exports to Iraq during its war with Iran were of no less importance than those received by Tehran, since, in the eighties, Beijing supplied the Iraqi forces with large quantities of T-59 and T-69 tanks,

armored cars, artillery, and F-6 (MiG-19) and F-7 (MiG-21) combat aircraft. The Iraqi Air Force obtained the latter after they were assembled in Egypt in cooperation with the Chinese aeronautics industry, in addition to the H-6 strategic bomber, which is a copy of the Soviet Tupolev-16 bomber.

In the second half of the eighties, China began to expand its military cooperation with Middle East countries. In accordance with an important agreement concluded with Saudi Arabia, China supplied it with strategic ballistic missiles (but with traditional high-explosive warheads, instead of the usual nuclear warheads). These were of the Dong Peng-3 type, or the CSS-2 type known as "Eastwind". This missile has a range of 3,600 km and, consequently, is the longest-range ground-to-ground missile currently in the Middle East region.

New World Order

There are a large number of new types of weapons that China was able to develop and produce in the early- and mid-eighties. Some of these weapons are, for the first time, totally Chinese designed, instead of being mere copies of old Soviet weapons. Or, at least, they are advanced and modified versions of those weapons, such that they are considered weapons of Chinese origin and new in practice. Precisely speaking, China is making rapid efforts to market and export these weapons, especially to the Middle East, which has clearly begun to form Beijing's principle market for the export of its military production.

These weapons, for example, include the F-7M Airguard fighter, developed from the F-7, which originally was just a copy of the MiG-21. China is also currently producing complete families of armored cars, self-propelled and towed field artillery, air defense systems of missiles and anti-aircraft cannon, surface-to-surface and surface-to-air anti-ship missiles, surface-to-surface ballistic missiles, and various other types of miscellaneous arms and ammunition.

Iran is currently one of the Middle East's principle importers of arms from China, apart from Pakistan and North Korea, which traditionally were the two most important importers of Chinese military equipment for the past three decades.

The United States and Western nations are concerned over the Chinese efforts to sell such "traditional" weapons, if this expression is correct. However, they are more concerned about Beijing's increasing role in exporting offensive weapons and ammunition of a special nature or, at least, its unconditional willingness to export such arms and ammunition to Middle East and Third World countries. It could be presumed that it would be difficult, or even impossible, for these countries to obtain similar weapons from other world sources, in light of the new international situation that has existed since the end of the Cold War era and the collapse of the Socialist camp, with the elimination of the Soviet Union itself. What is precisely meant by that is the element

represented by weapons of mass destruction, such as surface-to-surface ballistic missiles; and the cooperation program relating to the development and production of chemical, biological, and even nuclear ammunition.

There are many examples cited by Western sources on this. Some of these are considered semi-confirmed, while others are not confirmable. Apart from the well-known evidence of Iran's obtaining Chinese-made surface-to-surface missiles and entering into several cooperation programs with Beijing to develop and manufacture these missiles locally, there is also the supposition of a cooperation program between those two parties in the nuclear field. There was also the presumed deal, which has generated much discussion and outcry during the past few months, by which China will possibly provide both Syria and Libya with new M-9 surface-to-surface missiles with a range of 600 km. Discussion about this deal goes back more than two years, but its outcome has not yet been officially confirmed. Information on this is still greatly contradictory. Some information confirms the fact that China has long been determined to carry this out, and some information indicates the possibility that Beijing will ultimately yield to American pressure and agree not to supply Damascus and Tripoli with these missiles. Added to all this is the increasing information currently being cited by Western defense sources about existing cooperation between China and Algeria in the nuclear field, although it is still considered under the framework of constructing reactors for peaceful purposes, despite the fact that any reactor of this type continues to be capable, at least in principle, of being used for military purposes when necessary.

China's Future Role

This is precisely the role that Western circles are currently asking about—whether China is determined to continue its role in the Third World and the Middle East. These circles have begun to accept that this is tantamount to a fait accompli. China certainly is evolving into one of the principle beneficiaries from the absence of the European Socialist bloc—more precisely, the Soviet Union—from the business of selling arms and military equipment to countries that, even in the recent past, were obtaining their arms from that bloc, and that still find it difficult to turn to Western sources to obtain their armament needs. This definitely holds true for several countries in the Middle East, such as Iran, Libya, Syria, Sudan, and probably even Iraq, in its present condition. However, the question here is how much China will continue to express willingness and desire, either out of purely material considerations or political and strategic considerations, to play the role of “arms salesman outside the new world order”, by means of furnishing such nations with arms and military and technological services that they can no longer obtain from any other world source, especially if it concerns weapons of mass destruction and techniques of development and production of those weapons.

The answer to this question will, in the nature of things, depend on China's readiness to enter this new world order and be committed to the rules of the new international game. Perhaps the clearest example that might define the future Chinese role is the Middle East and the way China will relate to the countries of this region during the coming stage, especially if a comprehensive regional formula is achieved to insure the end of the arms race there and to eliminate weapons of mass destruction from that area.

In this way, the regional and international role that China will be defining for itself will emerge within the context of the new world order, which clearly will continue until further notice.

Main Chinese Arms Sales in the Middle East, 1970-1990

1. Egypt:

- 100 Jian-6 (MiG-19) fighter aircraft;
- 80 Jian-7 (MiG-21) fighter aircraft;
- 4 T-33 (Romeo) attack submarines;
- 2 Jianghu destroyers;
- 6 Hegu (Komar) missile boats;
- 8 Hunan gunboats;
- 4 Shanghai gunboats;
- Hai Ying-2 (CSS-2 Silkworm) surface-to-surface missiles;
- HN-5 (SAM-7) surface-to-air missiles;
- HQ-2 (SAM-2) surface-to-air missiles;
- PL-2 (Atoll) air-to-air missiles.

2. Iraq:

- 4 H-6 (Tupolev-16) strategic bombers;
- 80 Jian-6 (MiG-19) fighter aircraft;
- 60 Jian-7 (MiG-21) fighter aircraft;
- 1,500 T-59 and T-69 (T-54/55) main battle tanks;
- 500 YW-531 and T-77 (BTR-50) armored personnel carriers;
- T-59 (130 mm) and T-60 (122 mm) field guns;
- T-63 (107 mm) and T-81 (122 mm) missile launchers;
- T-55 (37 mm) and T-59 (57 mm) anti-aircraft guns;
- Hai Ying-2 (CSS-2 Silkworm) surface-to-surface missiles;
- C-601 air-to-surface missiles;
- PL-2 (Atoll) air-to-air missiles.

3. Iran:

- 18 Jian-6 (MiG-19) fighter aircraft;
- 18 Jian-7 (MiG-21) fighter aircraft;
- 600 T-59 (T-54) main battle tanks;
- 500 YW-531 and T-77 (BTR-50) armored personnel carriers;
- T-54 and T-60 (122 mm) and T-59 (130 mm) field guns;
- T-63 (107 mm) and T-81 (122 mm) missile launchers;
- anti-aircraft guns, anti-tank guns, and mortars of various calibers;
- Red Arrow (SAGGER) anti-tank missiles;

- HN-5 (SAM-7) anti-aircraft missiles;
- HY-2 (SAM-2) anti-aircraft missiles;
- HQ-2 (CSS-2 Silkworm) surface-to-surface missiles;
- Frog and Scud surface-to-surface missiles.

4. Saudi Arabia:

- DF-3 (CSS-2 Eastwind) surface-to-surface missiles.

5. Syria:

- M-9 surface-to-surface missiles (delivery not yet confirmed)

6. Libya:

- M-9 surface-to-surface missiles (delivery not yet confirmed).

7. Sudan:

- 18 Jian-6 (MiG-19) fighter aircraft;
- 12 Jian-5 (MiG-17) fighter aircraft;
- 60 T-59 (T-54) main battle tanks;
- 80 T-62 light battle tanks;
- 200 YW-531 and T-56 (BTR-152) armored personnel carriers;
- 50 T-54 (122 mm) field guns;
- 30 T-59 (130 mm) field guns;
- 50 T-56 (85 mm) field guns;
- T-63 (107 mm) missile launchers;
- Red Arrow (Sagger) anti-tank missiles;
- Various types of anti-aircraft guns, anti-tank guns, and mortars;
- HN-5 (SAM-7) anti-aircraft missiles.

8. Tunisia:

- 2 Shanghai gunboats;
- T-55 (37 mm) and T-59 (57 mm) anti-aircraft guns;
- T-52 (75 mm) anti-tank guns;
- T-63 (107 mm) missile launchers.

9. Pakistan:

- 120 Jian-7M (F-7M Airguard) fighter aircraft;
- 24 Jian-6 (MiG-19) fighter aircraft;
- 14 Qiang-5 (A-5) attack aircraft;
- 40 Jian Jiang-5 (FT-5) combat trainer aircraft;
- 1,300 T-59 (T-54) main battle tanks;
- 200 T-69 (T-55 modified) main battle tanks;
- 500 YW-531 armored personnel carriers;
- 200 T-59 (130 mm) field guns;
- 200 T-60 (122 mm) field guns;
- 200 T-56 (85 mm) field guns;
- T-55 (37 mm) and T-59 (57 mm) anti-aircraft guns;
- T-52 (75 mm) anti-tank guns;
- Red Arrow (Sagger) anti-tank missiles;
- HN-5 (SAM-5[sic]) and HQ-2 (SAM-2) anti-aircraft missiles;
- HY-2 (CSS-2 Silkworm) surface-to-surface missiles;
- BN-2 (Atoll) and PL-5 air-to-air missiles;
- 4 Huangfen (Osa) missile boats;

- 4 Hegu (Komar) missile boats;
- 4 Huchuan torpedo boats;
- 4 Hanyan gunboats;
- 8 Shanghai gunboats.

New Weapons That China Is Trying To Market in the Middle East

1. Fighter aircraft:

- F-7M AIRGUARD is an advanced version of the MiG-21. Information indicates that negotiations are underway with Iran to supply 100 of these aircraft. There is also the possibility of sales to Arab countries such as Egypt and Sudan, and possibly Iraq, in the event the arms blockade is lifted.
- The Qiang-5 (A-5) attack aircraft; Iran has expressed an interest in purchasing 100. Negotiations have been ongoing for some time.
- A new F-8 fighter, which is currently being developed;
- A jet trainer and attack support aircraft, the K-8, which is being developed in cooperation between China and Pakistan.

2. Tanks and armored cars:

- The new T-70 main battle tank: This is believed to be a modified copy of the Soviet T-72 tank.
- The combat armored infantry vehicle, YW-501, a copy of the Soviet BMB-1;
- YW-534 armored personnel carrier; (Iran has expressed interest in obtaining all these weapons).

3. Guns and launchers:

- T-73 (152 mm) self-propelled field gun;
- T-85 (122 mm) self-propelled field gun;
- T-70 (130 mm) launcher;
- T-83 (273 mm) launcher (Iran, among other countries, is a candidate to obtain these weapons).

4. Missiles:

- M-9 surface-to-surface missile, which has a range of 600 km; Syria, Libya, and Iran have all expressed the desire to obtain this missile.
- M-11 surface-to-surface missile, which has a range of 105 km; It is believed that Iran has contracted to purchase it.
- C-801 surface-to-surface anti-ship missile, which is assumed will replace the Silkworm missile; It is seen as a candidate for export over a wide area.
- C-601 air-to-surface anti-ship missile, with a range of 100 km;
- HJ-8 anti-tank missile, which is a copy of the French Milan missile;
- HQ-61 anti-aircraft missile: This is a new generation of missile considered to be equivalent to the French-German Roland missile, the American Hawk missile, and the Soviet SAM-6 missile.
- PL-7 air-to-air missile, for use with the F-7M Airguard and the F-8 fighter aircraft; It is believed that China developed this missile in cooperation with Israel.

PALESTINIAN AFFAIRS

PLO Declaration of Jihad for Jerusalem

92AE0208A Nicosia FILASTIN AL-THAWRAH
in Arabic 26 Jan 92 pp 18-19

[Text] The following declaration was issued from the conference that was held in Tunis on the first anniversary of martyrdom of Commander Abu Ayyad (Salah Khalaf), Commander Abu al-Hawl (Hayil 'Abd-al-Hamid), and Struggler Abu Muhammad (Fakhri al-'Umari):

In the name of God, the Merciful, the Compassionate: "Glory be to Him, who did take His servant for a journey by night from the Sacred Mosque to the Farthest Mosque [al-Aqsa], whose precincts We did bless, that We may show him some of Our signs, for He is the One who heareth and seeth (all things)." [Koran 17:1]

Jerusalem, which was built by the Canaanite Arabs, has been the capital of Palestine since this name was known in history. It is the stronghold of the Semitic religions, redolent with the perfume of the prophets. It is the place from which the Prophet Muhammad (God's prayers and peace be upon him) departed on his journey to the heavens, and the cradle of Christ, peace be upon him.

Jerusalem has been the key to peace, in ancient times and modern. Invaders come, but there is no abode for them, nor for peace. They are driven away, towns flourish, and peace reigns. Its state has been linked to the circumstances of the Arabs and Muslims as a place and as a position. It is the target of the ambitions of invaders, who end up at it and come to an end in it, no matter how long it takes. It has become the gatekeeper of geography and history, and the key to peace.

In the history of Jerusalem, there are lessons and admonitions. Among its invaders were the Franks from the West, hating the creed of Islam, with ambitions for the Eastern church. They were expelled by the victorious leader Salah-al-Din with an army that brought together jihad warriors from among the Arabs, both Muslim and Christian. The weapon of victory was the unity of the people under the banners of jihad.

Since the beginning of this century, Jerusalem has been subjected to the invasion of modern Zionism, which is trying to destroy it, take away its name, and change its Arab, Islamic identity by destroying its religious and historical traits, expelling and exterminating its people, and denying their existence. In that way, it is a mirror to what is happening to the whole of Palestine as a land and as a people, cities and villages, its history and its present. The hatred is centered on Jerusalem, because they know that it is the capital of Palestine, its symbol, and the stronghold of its identity as an Arab, Islamic civilization.

The authorities of the Israeli occupation have declared Jerusalem to be their capital since 1948, and they set up their establishments in the western part of the city, in

violation of all international resolutions, which prohibited any infringement upon the situation of this holy city. Then they declared the annexation of the eastern part of the city after occupying it in 1967, continuing their rejection of international resolutions and violating the Geneva Accords and the 1954 Hague Agreement, which forbids any change in the territories under occupation. Considering Jerusalem as the capital of "Israel," then annexing the rest of the city and imposing Israeli laws on its population, are a violation of international consensus, which has condemned that with numerous resolutions.

The Israeli occupation authorities have resorted to many methods to isolate the city of Jerusalem and to take control of its future. They hastened to expand its administrative limits, annexed dozens of villages around it, surrounded it with more than 20 settlements, and crammed thousands of settlers into them. They destroyed all homes, old and new, that their hands reached out to, and the authorities forbade the repair of what had been affected by time and were about to collapse. They also forbade the expansion of service networks, or even their renewal, and they shut down institutes, schools, and universities. They imposed exorbitant taxes on the Palestinian Arabs holding out in the city, deprived of any form of development that would provide job opportunities to the people of the city, with the goal of forcing its people to leave.

When the jihad-like Palestinian intifadah broke out, it became clear to the Israeli occupation authorities where Jerusalem stood in the intifadah's heroic acts. Measures of oppression were hardened, massacres were arranged in the courtyard of the blessed al-Aqsa Mosque, and states of siege were repeatedly imposed on it. But the invaders realized that all that they had done before had not quenched the spirits of the people of the holy city, and processions of martyrs continued along the road to liberating Jerusalem and affirming its Arab, Islamic identity.

The attempts of the Israeli aggressors did not end with changing the civilizational and human identity of the holy city. Rather, they went on to reject all international resolutions issued on the matter, then to deny its sons the right to participate in the international political battle now going on. They (the occupation authorities) got protection and support from the United States of America, and it was even rewarded with the nations in the UN General Assembly being driven to vote on a resolution abolishing what the international organization had previously decided—that Zionism was racism.

Then, voices are raised demanding the rescinding of the call to jihad, which is a duty upon all believers, and no resolutions or statements can come between them and it. From Abu-Imamah al-Bahili, may God be pleased with him, comes the statement of the Prophet of God, God's prayers and peace be upon him, who said: "A portion of my nation still know what is right, are victorious over their enemy, and are not harmed by the hardship that he

afflicts upon them, until the commandment of God comes to them, and they are thus. They said: And where are they, O Prophet of God? He said: In Jerusalem and its environs." Thus the Prophet of God spoke truly.

These days the world is seeing great changes, which open the doors wide to reveal once again the role of civilizations in determining the course of states, conflicts, and the future of the human race: either confrontation, destruction, and wars; or generosity, independence, freedom, and human interaction. Jerusalem's place in civilization, which has never been absent, is reappearing as a key to peace, to which there is no other way.

Jerusalem was and is the capital of interacting civilizations, in peace and war. It is the symbol of Arab, Islamic civilization throughout history. The position on Jerusalem is the touchstone and indicator of the position on all international issues put before the whole world, from protecting the buildings that the Zionist settlers are demolishing, to protecting the heritage that they are destroying and burning, and protecting human rights—of which the Israeli occupation authorities know nothing—and protecting the rights of the peoples that were decreed by heavenly laws before they were decreed by international laws and customs.

Jerusalem calls upon all peoples of the world, upon all free peoples and fighters, to apply even-handed justice. Jerusalem also calls upon all Arabs, all Muslims, and all Christians, to rise up in defense of the historical traits which gave them the meaning of life, for they owe Jerusalem defense of it, and giving it life. Today it needs their efforts, for it is their city, the symbol of their Arabness, and the capital of the state of Palestine. It needs them to work to support the jihad of the Arab Palestinian people—by all material and moral means—to achieve their national, invariable goals. In the forefront of these goals is the return of their nation, practicing the right of self-determination, and establishing an independent Palestinian state with Jerusalem as its capital, under the leadership of the Palestinian Liberation Organization, their sole legitimate representative.

For the sake of a just and lasting peace, for the sake of a free and independent Palestine, and for the sake of Jerusalem as a place and as a position, the banners of jihad must be raised. All forces for good everywhere must rise to stop the destruction of the holy city and the changing of its identity; to prevent the Zionist manipulation of its destiny and its holy places; and the denial of its Palestinian, Arab, and Islamic identity.

Many efforts must be exerted to acquaint the whole world with Jerusalem's past and present situation, and more importantly, with its position in determining the future, for it is the key to war and the key to peace. Long live Jerusalem, the capital of the state of Palestine. Long live Palestine, free and Arab.

ALGERIA

Democracy Viewed Threatened by Islamist Victory
92AF0405A Paris *LE QUOTIDIEN DE PARIS*
in French 20 Jan 92 p 13

[Commentary by novelist Rachid Mimouni: "On Democracy in Algeria"]

[Text] Many virtuous voices have been raised here and there to condemn the interruption of the democratic process in Algeria. These statements bespeak a frightening level of ignorance. It is not that we should applaud the army's intervention, but rather we must understand that democracy would be dead anyway if the Islamists came to power, since they regard it as a "Western invention," with all the pejorative connotations that implies.

No one believed the head of the Nazi party when he talked about establishing a dictatorship in Germany. Could we condemn, today, the resort to some nondemocratic way of stopping Hitler's rise? Must we deplore the action of the officers who tried to assassinate him?

Granted, the Third Reich went to such horrible and mad extremes that one cannot compare it to an Islamist regime. Indeed, the two situations are different in many ways—but the worst case scenario is not always the least likely.

Of course, Algeria lacks the means to wreak destruction all over the world. But Hitler inherited a disjoined army and a pitifully weak economy. A fundamentalist Algerian government would be actively supported by Iran, Sudan and finally Libya, and little Tunisia would be caught in a stranglehold. Islamist leaders have made no secret of their intent to export their model. Anschluss after Anschluss, Munich after Munich: Where would this series of defeats have led?

Modern-day Machiavellis believe the West is still able to contain Algerian fundamentalism, as Khomeyni's version was contained. For example, Algeria could be provoked into a military confrontation with its Moroccan neighbor. But that would entail the sacrifice of thousands of lives, a resurgence of terrorism, and a return to the practice of hostage taking.

It would also mean consigning the three-fourths of the Algerian population that reject the ideas of the FIS [Islamic Salvation Front] to a nightmarish existence. The Islamists would establish popular tribunals to judge people with "pernicious views," force girls to wear the "hidjab," ban co-education, stone adulteresses to death, punish pickpockets by mutilation. You don't believe it? Such things are happening every day in Iran, Sudan, and Saudi Arabia, but the virtuous West closes its eyes to these atrocities. Like Pontius Pilate, it washes its hands of them.

During the June 1991 uprisings, the Islamists took control of Algeria's largest hospital, the Mustapha. For three days, they ran things their way. In the maternity ward, pregnant women were turned away unless they could prove they were legally married. Their followers, recruited at the hospital, knew the institution was putting unwed mothers in with the rest of the expectant women so they could not be singled out. Longtime medical professors with international reputations were reduced to using pathetic subterfuges to calm the zealotry of the excited youths who had occupied their office. Only the army's arrival saved the day.

It is really not a question of Islam or democracy, but of the threatened eruption of barbarism.

In its excesses and its apocalyptic paranoia, the social blueprint of the fundamentalists has a certain resemblance to the Chinese cultural revolution and the Khmer Rouge regime.

Moreover, democracy presupposes the existence of the conditions required to sustain it. The European democracies of today are the end result of a secular historical process that has induced numerous transformations. As early as the end of the 18th century, industrialization made it possible gradually to improve the living standards of the people. The likes of Jules Ferry, through the universal extension of mandatory (and thus free) schooling, succeeded in imbuing several generations of students with republican ideals and civic values. The rules of the democratic game were refined over time. In France, suffrage was limited to property owners before it was made universal.

Our countries have not been through the same evolution. I would urge these democratic choristers to reread the history of fascism.

Committee Backing Ghazali Supports Higher State Committee

LD1801153792 Algiers Radio Algiers Network in Arabic 1500 GMT 18 Jan 92

[Text] The National Committee Backing Sid Ahmed Ghazali [al-lajnah al-wataniyah li-musanadat al-sayyid Sid Ahmed Ghazali] has expressed its support for the Higher State Committee and made clear in a statement distributed to the press today that the move setting up the council is justified by the serious situation that the country is experiencing and by the open challenges. The committee believes that Algeria needs republican and democratic values to confront the challenges and be able to continue the course charted by the 1 November 1954 revolution.

EGYPT

Islamists, Secularists Debate Political Issues

92AF0392C Cairo AL-JUMHURIYAH in Arabic 1 Jan 92 p 6

[Article by Basiuni al-Hulwani]

[Text] The Cairo International Book Fair was the site of a three-hour debate between Islamists and secularists over the civil state and the religious state.

Islamic clergymen and those calling for an Islamic solution debated secularists in a democratic atmosphere. There were 800 listeners inside the hall, while more than 3,000 crowded outside to follow the dialogue over loudspeakers.

Noted preacher Shaykh Muhammad al-Ghazali spoke, saying: "Now that the Islamic peoples have rid themselves of military imperialism, they have been occupied by another, new imperialism—intellectual, cultural, and educational imperialism, alongside the legislative imperialism that has distorted our Islamic character. We will never regain our distinctive character and our Islamic message unless we go back to the rule of our Islamic shari'ah [law]. There is a difference between Western democracy and Islamic democracy. Western democracy forbids the killing of murderers, so their societies are filled with homicide. Islamic democracy says: 'You have life in punishment, O most understanding of people.' Thus we condemn homicide, robbery, and other crimes in our Islamic societies."

Shaykh al-Ghazali explained that Islamic consultation differs from consultation in western societies. He said, "All divine laws say that adultery and homosexuality are forbidden, but Western consultation, which we import into our societies, permits homosexuality and immorality in the name of personal freedom."

Shaykh al-Ghazali appealed for resistance to the attack and to cultural imperialism, which thwart our Islamic and cultural identities, and for us to dislodge these Western ideas from our country, which came in with Western hats.

"Those who fight the enactment of God's law," he said, "are shuffling the cards and distorting the facts. They say, 'We do not want a religious government,' which is a vague and cryptic sentence. The Jews are honored to be governed by fanatical Jews, Buddhists want to be ruled by Buddhists, but we in Islamic societies fight the establishment of a government to rule by Islam and enact God's law."

Well-known Islamist Dr. Muhammad 'Amara said that the disputed question was the authority of the Islamic state: Would it be Islam, or legislations imported from other societies, which differ from Muslims' societies politically, economically, legislatively, and socially?

He said: "Muslims do not reject the civil state in its modern institutions, but they seek Islam as the civil state's authority in our societies.

"The Islamic nation, over thirteen centuries, has ruled through shari'ah, and was thus the greatest state in history. So why do Western laws vie with government institutions in Muslim societies?"

He explained that civil law was a stark blemish on the face of the Islamic ummah [nation], so that every patriot should strive to liberate the legal mind in Islamic societies.

Secularists Respond

Dr. Muhammad Khalafallah responded, saying, "The concepts of the civil state and the religious state are old and well-known concepts. Long ago, kings ruled by divine right. Then one day the civil state came along; the people had become the source of authority, with the people deciding what their rights are.

"There is government among people and government for the people. A prophet rules among people, a king rules people." Here Dr. Khalafallah concluded by saying that religious government was futile in contemporary society.

"Those who call for the Islamic solution," said Dr. Faraj Fawdah, "did not offer their political program for governing. The characteristics of this Islamic solution are understood differently by different people. They did not offer a suitable alternative to the civil state."

Al-Hudaybi: "We Want Statements"

Advisor Ma'mun al-Hudaybi, representative of the Muslim Brotherhood, commented that the supporters of the Islamic solution had offered models, but no one had listened to them. They were estranged from any statements relating to the economic, social, and political nature of the state. How could they offer a program without statements and information?

University Panel Discusses Postwar Fundamentalism

92AF0383D London AL-HAYAH in Arabic 13 Jan 92
p 6

[Article by 'Abd-al-Hakim al-Sayyid]

[Text] Cairo—The Political Research Center at Cairo University held its fifth conference under the heading "Lest Another Arab-Arab War Break Out: Lessons Learned From the Gulf War."

In their papers, conferees presented nine main lines for study and discussion, including "self-criticism," problems of "political participation in the Arab world," disparity among the positions of Islamic fundamentalist movements on the invasion of Kuwait and the Gulf war,

and how to take advantage of the new international climate to form stable relations with neighboring countries.

This article will focus on what was said in the roundtable on fundamentalism and fundamentalist issues.

Dr. Ibrahim Ghanim, a researcher at the National Social Research Center in Cairo presented the view of the fundamentalist movement in Egypt on the new international order in light of the Gulf crisis. He stated that this movement has had an almost unchanging view on "the international order," be it in its old or new form. The gist of this view is that the so-called international order is nothing but the major powers' oppression of, and imposition of hegemony on, the rest of the countries of the world, especially the Arab and Islamic countries. In this context, the fundamentalists ask: What did our country incur under the old international order? What awaits it under the new order? Their response: a continuous series of iniquities, such as colonialism, the plundering of resources, the termination of the Islamic caliphate, the loss of Palestine, the fragmentation of the Islamic world, the implantation of the Zionist entity, the burying of attempts to effect a renaissance, the kindling of wars, the occupation of Afghanistan, and finally, the Gulf war and the destruction of the nation's capabilities.

Great Distress in Movement

According to Dr. Ghanim, the fundamentalist movement believes that: the international order, regardless of its form, is the West's doing; the West is the Islamic nation's cultural enemy; and, because of this enmity, which perpetuates the legacy of the Crusader wars, the West has striven to keep the Islamic world weak and subordinate. This has caused great distress in the fundamentalist movement and has always compelled it to rebel against the international order.

In addition, the movement has historically called for the unification of the nation and its restoration to its appropriate world position, which is that of teacher and proclaimer of the Muslim creed to the people, in unity and Islamic peace. The Gulf crisis gave the movement a great opportunity to demonstrate the international dimension of its ideological and practical activity. Ghanim dealt with two groups, the Muslim Brothers [MB] and the Islamic Jihad, as the most important religious groups in Egypt. He analyzed their positions on the Gulf crisis and the new world order, stressing that, despite differences between them at times, both consider the Gulf crisis irrefutable evidence of the veracity of the theory of an ongoing international conspiracy against the Islamic nation, and evidence that the internal weakness plaguing the nation stems from the nation's shunning of Islam as a comprehensive system. Neither group sees a better future for the Muslim countries in the climate of the new world order unless internal reforms are made and secular regimes are changed.

Signs of Self-Criticism

In his paper entitled "Signs of Self-Criticism Among the Muslim Brothers in Egypt and Jordan," Dr. 'Ala Abu-Zayd states that the Gulf crisis took the Arab and Muslim psyche by surprise, confusing it and paralyzing its will to act. The fundamentalist movement adopted numerous positions on this crisis, rather than a unified position. The Egyptian MB's basic position on the crisis differed from that of the Jordanian MB. Each has continued to adhere to its basic position during and after the crisis and war. While leaders of both groups engaged in an introspective review of their respective positions and actions after the crisis, they subsequently continued to adhere to their original basic positions. The Egyptian MB continue to censure the Iraqi regime and affirm the error of its military intervention in Kuwait, while the Jordanian MB continue to support Iraq's action on the grounds that numerous well-founded justifications can be enumerated to support it. The difference between the two groups' positions does not stem from their governments' differing positions on the crisis. The Jordanian official position, which originally corresponded to that of the Jordanian MB's position, took an about-face after the crisis. The MB in Jordan were, nonetheless, not compelled to change their position. Rather, they clung to it more tenaciously and become more extreme in expressing it, as a challenge to the government. The MB in Egypt also continue to adhere to their basic position, which, regarding its rejection of Western forces, continues to be at odds with the official Egyptian position of being open to the West and cooperating with it. After the crisis ended, the Egyptian MB escalated their attack against the United States and the West as the Egyptian Government was consolidating a policy of moving closer to the West for future arrangements for the region.

Al-Nahdah and the Islamic Salvation Front

Regarding the al-Nahdah group in Tunisia and the Islamic Salvation Front [FIS] in Algeria, Dr. Nevine 'Abd-al-Mun'im Mus'ad stresses that the Gulf crisis was a severe ordeal for the two groups because of its far-reaching effects on their organizational cohesiveness, political effectiveness, and foreign relations. She adds that, immediately after or perhaps before, the war ended, the two groups began to engage in a type of constructive self-criticism, though not to the extent required. The two groups' political rhetoric still bears some of the cumulative effects of this ordeal. In their confusion, the two groups are caught between the exigencies of survival and the forces of change. This dilemma entails a contradiction that diminishes their credibility. The issue of relations with the "Crusader West" exemplifies this disarray and intellectual confusion in the duplicity of the postwar preaching of al-Nahdah leader Shaykh Rached Ghanouchi, in which he is increasingly disassociating his movement from Saddam Husayn. The same applies to the National Islamic Front in Sudan. To the extent that each of the two Tunisian and Algerian groups advances

on the road of self-criticism and closes another painful chapter in the Gulf crisis dossier, they will regain their standing.

AL-WAFD Disputes Crime Statistics

92AF0383A Cairo AL-WAFD in Arabic 30 Dec 91 p 3

[Article by Najwa 'Abd-al-'Aziz]

[Text] In a few hours we will welcome the new year, after bidding farewell to 1991, which was filled with numerous catastrophes and incidents.

Regarding all of these incidents, the police are responsible for security.

What do the Interior Ministry's crime statistics say about 1991, and what preparations has the ministry made to cope with the start of the new year?

The Interior Ministry's reports on kidnapping and arson crimes in 1991 are deficient. Initial reports stressed that no kidnapping or arson incidents occurred. However, during 1991, AL-WAFD observed dozens, even hundreds, of such incidents. This demonstrates to the public that the Interior Ministry is concealing the security situation in the country from the political leadership. When AL-WAFD went to the General Security Department in Cairo to examine preliminary security reports for 1991, which provide the basis for watching crime in the republic, it discovered that the rates of some crimes increased while others decreased in 1991, compared to 1990, and that the General Security Department's reports concealed some crimes, especially kidnappings and arson. The reports confirmed a large, 88-percent increase in armed robbery compared to 1990. Thefts from homes increased by 4 percent, thefts from stores increased by 8 percent, and the unauthorized discharge of weapons increased by 26 percent. In 1991, compared to 1990: murder, intent to commit murder, and attempted murder dropped by 43 percent; theft misdemeanors dropped by 5 percent, vehicle theft dropped by 38 percent, livestock theft dropped by 3 percent, and pickpocketing dropped by 5 percent.

The security reports emphasized the absence of kidnappings and arson, for example, during November. However, reality shows otherwise. Kidnapping and arson incidents did indeed occur in November 1991. However, for unknown reasons, they are not mentioned in the security reports. In this report, AL-WAFD discloses some of these crimes. On 4 November 1991, a coffee-house employee kidnapped three boys and detained them in his home. On 11 November, in al-Wardiyat in Alexandria, a female junior high school student was kidnapped after leaving school. On 12 November, a father in a suburb of Nasir [City] set his son and house on fire. On 13 November, in al-Mansurah, a carpenter who had attempted to kidnap a female junior high school student was arrested. On 25 November, a police sergeant and three unemployed persons kidnapped a young man's fiancée and raped her in a deserted area in Shubra

al-Khaymah. On 28 November, a driver set fire to his divorced wife's apartment, because she had married another man. On 29 November, a landlord set fire to a rented apartment. On 30 November, a thug kidnapped a young girl and a woman from a casino in al-Mansurah and shot an officer who attempted to arrest him. On the same day, in Imbabah, a father submitted a complaint to the police accusing his son of kidnapping his brother.

The above-mentioned incidents are a sample of the incidents which occurred in a single month, and which are not included in the Interior Ministry's reports. What did the General Security Department's reports on incidents in Egypt in November 1991 state?

In November 1991, compared to November 1990, there were reports of: 93 felonies compared to 107, which is a 14-percent drop; 32 cases of murder, intent to commit murder, and attempted murder, compared to 52, a 43-percent drop (84 percent of the suspects were arrested); 15 armed robberies compared to eight, an 88-percent rise (93 percent of the suspects were arrested); five thefts of wires and cables compared to 11, a 55-percent drop (80 percent of the suspects were arrested); 837 felonious thefts compared to 884, a 5-percent drop; 369 misdemeanor thefts from homes compared to 356, a 4-percent rise (58 percent of the suspects were arrested); 166 thefts from stores compared to 153, an 8-percent rise (62 percent of the suspects were arrested); 101 vehicle thefts compared to 163, a 63-percent drop (only 25 percent of the suspects were arrested); 29 thefts of livestock compared to 30, a 3-percent drop (79 percent of the suspects were arrested); 172 pickpocketing incidents compared to 181 (1.8 percent of the suspects were arrested).

However, no kidnapping or arson crimes were reported during November 1991!

Regarding efforts by security personnel to arrest and combat gangs, the report stated that 149 gangs comprising 426 suspects were arrested in cases of: thefts from houses, stores, and poultry farms; the theft of cars, telephone wires and cables, railroad equipment, motorcycles; armed robbery; pickpocketing; snatching gold chains; and swindling women. Members of these gangs confessed to perpetrating 454 incidents. The reports state that 919 unlicensed weapons were seized in 1991, compared to 72 in 1990, which is a 26-percent increase.

Law No. 110 on complicity and inquiries was applied to 1,440 cases in 1991, compared to 934 in 1990, which is an increase of 54 percent. Regarding the execution of sentences, only 928 out of 14,157 sentences were executed, i.e., only seven percent were carried out!

Regarding the increase in armed robbery, Major General Hilmi al-Faqui, the first assistant interior minister for the General Security Department, states that armed robberies that occurred in the past—indications of which include the incidents that occurred in November—consist of individual incidents that occurred in outlying and public areas. They involved different methods,

including the anesthetization of victims and the use of knives and firearms. Some of these crimes targeted watchmen at quarries. Most of them involved threats against individuals and the theft of some belongings. The investigation agencies were able to solve all of these cases. All suspects were arrested, and all stolen items and implements used in these crimes were recovered. This was reflected by the absence of reports of incidents of this type in the first half of December.

Regarding the increase in misdemeanors, Hilmi al-Faqui states: "If there was an increase in some of these crimes, it should definitely be correlated to the increase in the population and the social or economic circumstances. Another basic intervening factor is unemployment. Nonetheless, the rate of some crimes, such as commercial and residential burglary, is considered very low. The amount of crime is in keeping with its normal rate. There has been no appreciable rise. Also, the arrest rate has improved in recent years, thanks to the efforts that have been made, including the continual monitoring of dangerous elements and their hideouts, and middlemen who deal in stolen goods.

"Regarding youth entering crime, we can say that our youth are fine. Some crime among individual youths is not a criminal phenomenon, but rather deviancy on the part of some youths. Every society or group produces both good and bad. The percentage of juvenile delinquents is very low in Egypt, due to our society's traditions.

Regarding criminals frequent use of knives to intimidate their victims, Maj. Gen. Hilmi al-Faqui states: "The law prohibits the possession of knives for illegal purposes. Any misdemeanor committed with a knife becomes a felony punishable by incarceration, not confinement. At the same time, it is difficult for security personnel to monitor every purchaser of a knife or store that sells knives, in view of their legitimate use.

Major General Fikri Shabbanah, assistant [interior] minister and director of security in al-Qalyubiyah: "The governorate has seven administrative districts and five police departments. The crime rate is increasing, because crime is part of life. Switchblades are still used frequently in the commission of crimes, because they are inexpensive. Regarding crime in the Governorate of al-Qalyubiyah in 1991, the use of firearms increased by 61 percent, and the use of sharp instruments increased by 39 percent compared to 1990. Crimes committed during altercations, broken down by motive, increased as follows: revenge, 17 percent; domestic disputes, 17 percent; feuding, 13 percent; land disputes, 11 percent; acquisition of property with intent to appropriate it, 11 percent. The concealment of crime increased by 6 percent. In 1991 57 percent of the crimes were committed at night, and 44 percent were committed during the day.

High-speed traffic accidents increased by 50 percent compared to 1990, and armed robberies dropped by 30 percent compared to previous years. Regarding new

police initiatives, Shabbanah states that the directorate has begun to set up speed traps along highways on which accidents frequently occur, especially on the Cairo-Alexandria highway. Campaigns have been stepped up against proven thieves. Police officers constantly keep pace with criminal activity. Attempts have also been made to eliminate hiding places for drugs in the areas of Kawm al-[Simnah], al-Ja'afirah, Abu-al-Ghayt, and Basus. Shabbanah called for stricter penalties for the possession of a knife, including even the death penalty. Major General Ahmad Bakr, assistant interior minister and al-Jizah security director, called for a greater police presence from New Year's Eve until mid-January to cope with brawls that might occur during that period. He said that the directorate has decided to suspend all breaks and leave for police officers, stressing that any violations of the law would be met by strong force, the purpose being to maintain security control at nighttime places of entertainment. Campaigns were mounted two weeks before the new year to arrest lawbreakers. Other campaigns were organized against drug dealers with the help of the Counternarcotics Administration. Bakr hopes for orderliness in the main streets and squares. He adjured pedestrians to regulate their movement, and he called for the removal of large road works. He said that an agreement was reached in a meeting with Lieutenant General Yusuf 'Afifi, the governor of al-Jizah, on the creation of an association called "Friends of Traffic," to help the traffic police maintain order in the streets and regulate the flow of pedestrians and traffic. Bakr praised Cairo University students for helping guard forces this year and not causing any disturbances. He acknowledged that the security forces intervened to solve the students' problems in cooperation with the university's administration. Campus fees were actually reduced and meals were improved.

Disaster of the al-Yasmin Children

Regarding the narrowness of roads that led to the disaster of the children in al-Yasmin, to which 34 children fell victim, the security director stated that a permanent traffic-control point has been set up at the accident site. A roving traffic patrol has also been organized to cruise al-Sa'id Road along al-Jizah's boundaries to make sure that drivers obey the speed limit, and to warn cars against violating safety and load limit restrictions. Bakr confirmed that murders arising from land disputes in al-Jizah rose by 90 percent compared to the previous year.

Commentary on Food Production Shortfalls

92AF0392A Cairo AL-JUMHURIYAH in Arabic
11 Jan 92 p 6

[Commentary by Dr. 'Abd-al-Rahim Shahhatah]

[Text] The food crisis in the Arab world has reached a point where it threatens the security and stability of this region. It will bring the Arab nation—if it is allowed to continue—to where its only logical result will be not only

dependency, but real starvation, with its implications for hindering regional development efforts now and in the future.

It is remarkable that the rate of self-sufficiency in grains, for example, has dropped from 69 percent in 1970-1975, to 50 percent in 1980-1982; and to 40 percent in 1989-1990. With wheat alone, the average self-sufficiency dropped from 51 percent, to 35 percent, to just 30 percent in these same periods. The same trend holds for other food groups.

The Arab countries now consume more from their ports than from their own land. Much regional and national produce has become virtually nonexistent, to the point where Sudan, once a candidate to be the breadbasket of the Arabs, has become unable to meet its own food needs.

This Arab situation will have a great price. It has been estimated that the cost of Arab food imports in the year 2000, if production and consumption levels and population growth continue along their 1970s and 1980s levels, will be no less than \$40 billion.

This will render most Arab countries unable to meet their populations' food needs, in light of the trade balance and balance of payments, which do not bode well in most Arab countries.

The danger facing us is not limited to the ballooning of financial resources needed to meet the dangerous deficit. It includes the rise in Arab grain imports, especially wheat, to the abundant world level allowed from the markets of America, Canada, Australia, and the European Community, a level expected to reach 26 percent (19.5 million tons). This means the Arab countries will join nearly 90 developing countries in sharp competition to secure their needs of this important strategic commodity.

A comprehensive program to halt food decline in the Arab world must include action at both the regional and national levels.

Increased Production and Yield at the Regional Level

1. Giving top priority to increasing overall production of major grain crops, especially wheat, both types of corn, and rice.
2. Reviewing policies governing the use of land and water resources, and making the appropriate changes in crop structure according to the principle of relative priority, which will not violate the priority that must be accorded grains, especially wheat.
3. Reviewing pricing, marketing, and production policies, as well as organizational structures, to aid real, effective development in production methods.
4. Reviewing the structure for allocating regional investment, so as to increase the relative importance of the agricultural sector.

5. Attention to the issues of food circulation, distribution, industrialization, and consumption, and working to decrease the percentage of lost or wasted food resources.

6. Despite the special importance of scientific agricultural research and agricultural guidance to increase production and yield—an importance of which all major countries are aware, and from which they have worked to benefit—the pursuit of regional Arab institutions in the field of research and guidance still fall short of the level needed to achieve national and regional food security goals. In this context, we must:

A. Support and develop research organizations, enabling them to study and obtain the advanced scientific capabilities to deal with the factors limiting production, in light of circumstances and prevailing environmental factors in the Arab world.

B. Support relevant organizations by applying the results of scientific research as widely and as quickly as possible, through furthering economic and social awareness among farmers, allowing them to grasp various kinds of advanced technology, which have become essential to raise production levels.

National Action in the Field of Agriculture and Food

The time has come to found a comprehensive Arab food production program, starting from what is realistically possible, but setting out realistically and gradually to the level of the Arab nation's shared hopes. With this concept in mind, the following is proposed:

1. Establishing an Arab Grains Council entrusted with making plans and a program to increase production these crops and solving their production and marketing problems; coordinating the necessary reserve security of this commodity and following world production and marketing activity. The goal is to offer advice to the Arab countries in order to direct a unified Arab policy in the foreign trade in these crops.

2. Establishing an Arab common market for foodstuffs: It is remarkable that the commercial trade in food commodities among the Arab countries is extremely limited, representing no more than 10 percent of total Arab trade. That is due to the many restrictions to greater trade activity among the Arab countries. This situation calls for removing these restrictions; encouraging the exchange of food products between Arab countries, while taking of responsible steps to protect Arab products from foreign competition; and confirming the separation of commercial markets from any Arab political conflicts, so as to lead to the formation of a common Arab food policy.

3. Establishing an Arab institution to support and develop agricultural science and technology research. It would develop the performance of agricultural research organizations in the Arab nation, to support national and regional plans and programs, including setting up an

Arab information center for the production and consumption of various food commodities, and predicting Arab and international indicators of supply and demand.

4. Establishing an Arab center for studying the desert, as the desert represents a huge proportion of the unexploited land resources in the Arab nation.

5. Establishing Arab industries to provide access to production and to achieve greater demand for agricultural products, for current Arab food dependency is not limited to importing higher quantities of foodstuffs every year. It is accompanied by growing dependency on foreign countries to obtain production access to high-yield seeds, fertilizers, insecticides, agricultural equipment, and methods of storage and mechanization.

In view of the high returns for Arab investors that national and shared investments can represent in this field, action is needed to attract the Arab private sector to set up joint, integrated industries for fertilizer production; insecticides, anti-fungals and antibacterials; manufacturing suitable agricultural tools and machinery; advanced methods of irrigation; producing select, high-yield seeds; and manufacturing oils and sugar.

6. Deepening Arab-international food production cooperation: It is beyond argument that the Arab world needs to form a common policy to benefit the worldwide effort to end hunger.

Of course, international research centers that concentrate their efforts on Third World countries can offer much to increase food production in the Arab region.

It is essential, when we speak of Arab food security as an inseparable part of pan-Arab security, that the topic of water resources receive its necessary and inevitable attention.

The issue of water will be one of the political, economic, and military tools of pressure for curbing the Arab countries' abilities in any conflict that might break out, and as a source of political and security theft. With respect to this, we must:

1. Create a common Arab strategy for water and its uses throughout the Arab world, linked to an agricultural development strategy;

2. Work to achieve common conciliation and welfare among Iraq, Syria, and Turkey on the Euphrates basin. This would be encompassed by a bulwark of firm political, economic, and security relations to ensure neighborliness and to achieve the desired economic cooperation between the Arab states and their non-Arab neighbors;

3. Take up the water issue that Israel has now raised. We are on the brink of the beginning of a serious, comprehensive undertaking for peace in the region. We should study closely and accomplish everything we see before us:

- Israel's actual, annual seizure of more than 1,400 million cubic meters of water from the West Bank, Golan, and southern Lebanon.

- Turkey's request for a "Turkish peace pipe" project to transport Turkish water from the rivers in Anatolia to the rest of the Middle East, including Israel; and Israel's agreement with Turkey, in principle, to supply about 2.3 million cubic meters annually.

The movements toward peace in the region must be encompassed by a solid bulwark of guarantees for stability and continuity, so that the forces of expansionism and settlement do not exploit this peace as an additional station on the road to swallowing up more land and nullifying still more of other people's rights.

Economists View Emergence of Economic Blocs

92AF0385A Cairo AL-WAFD in Arabic 1 Jan 92 p 9

[Article: "Four Economic Blocs Control World's Resources; Creation of Arab Economic Bloc Necessary To Confront International Monopoly"]

[Text] Experts expect major economic developments domestically, in the Arab region, and internationally during the new year. Experts also anticipate a gradual decrease in the budget deficit and an increase in Egypt's hard currency income, a stabilization of the Egyptian pound in relation to foreign currencies and, by the end of the new year, the achievement of a balance between wages and prices, following the success of a major part of the economic reform package.

On the Arab level, the expectation is that the Arab League and its agencies, after development of the "charter," will create an Arab economic bloc to take on international blocs, especially after the collapse of the Soviet Union and the emergence of new republics based on the free market. Accordingly, doing business with the Soviet market will require new methods. Some experts call 1992 the year of gigantic international blocs, such as the European Common Market [EC], the Japanese bloc, and the Asian bloc. All that the Arab nations can do is expedite the formation of a bloc that is strong, well-planned, and not improvised, so that it can stand up to the huge international blocs. Otherwise, we will have no status on any level, and the conclusion will be unsatisfactory.

Dr. Hasan al-Haywan, professor of economics at 'Ayn Shams University, is optimistic about the results of economic reform, following construction of the main structure of the economy. He says that "positive indicators have emerged with the gradual decrease of the budget deficit, despite some relapses that occur from time to time. Moreover, Egypt's share of hard currency has increased as a result of stabilizing factors in the region, the stabilized influx of tourists, and improved exports. Accordingly, it has been decided to decrease the burden on the national economy after the Business Sector Law has been fully applied, while demand for the Egyptian pound has been constantly increasing. This is a

welcome indicator that reflects the health of the direction that the economy is taking."

Dr. al-Haywan believes that a solution to the problem of the balance between wages and prices will be achieved by the end of 1992, specifically in the last quarter of that year. With regard to economic prophecies, positive developments have occurred recently. Major developments are not expected during the new year. The Arab states must deal cautiously and warily with the EC, because it requires specific and accurate specifications pertaining to "quality." This word applies to Egyptian exports in particular.

Mustafa Zaki, an economics expert and director of Cairo's Chamber of Commerce, sees international economic changes that must be understood. "The EC is a fait accompli. It will unify the European monetary system in stages until 1996. The Japanese economic bloc is competitive with the European power, and there are other powers, the most important being the two Germanies after their unification. Germany is trying to reduce the inflation rate there. Then, there is the [North] American bloc and the group of Asian states. However, the best world economic bloc in 1992 is the Japanese.

"America is considered a major competitor to Japan and Europe, despite the fact that America is suffering from a recession and a trade deficit that has reached \$92 billion. Attempts are underway to reform the American economy in order to stimulate investment and reduce taxes. The American economy still rules the world, especially after the collapse of the Soviet Union. In general, it is clear that the world economy is passing through a period of trouble, with the exception of Japan, since its strong economy is flourishing."

Mustafa Zaki went on to say: "The Arab states came out of the Gulf war weighted down with its burdens. The Arab economy was affected, and each nation carries its share of damage. Egypt carries the biggest share, as a consequence of the return of workers and cessation of remittances. In 1992, the expectation is that the situation will improve in the Arab nations. Kuwait has extinguished the burning oil fields and has resumed its activity in world markets, as have Saudi Arabia and the rest of the Gulf states. In Egypt, the new year will see strong reform progress. Tourism has returned to its normal rates. The price of the pound improved after interest rates and treasury notes were freed and the volume of credit expanded. The pound now has reasonable purchasing power. Abolishing subsidies, abolishing decrees limiting profit, and dealing with the deficit through converting treasury notes into bonds are among the economic reform steps that have been taken. The next stage requires forming a market for securities in terms of international demand. We are going in the right direction. After the private sector took in more than 60 percent of investments and the change was made from public sector to the Business Sector Law, the exchange rate of the Egyptian pound stabilized."

Mustafa Zaki anticipates that 1992 will see a lessening of the pressure on consumers and a decrease in reform measures, since the major portion has been completed. The expectation is that economic reform will have been completed by 1994 and that the Egyptian citizens will be enjoying its fruits. Mustafa Zaki calls for the settling of three problems, represented by the interest rate, credit rate, and investment rate, so that all aspects of reforms can be attained and inflation reduced.

Dr. Ahmad al-Safta, professor of economics at Cairo University, thinks that the Soviet Union's changes have brought new world arrangements that were not anticipated. The world will see the emergence of strong economic trends—Europe, America, Canada, and Mexico on the one hand, and Japan and Southeast Asia on the other. The danger in the next few years is the “grinding down” of small blocs, which will not have the opportunity to exist in the face of larger economic blocs. This could cause retardation, or rather cessation, of growth processes. With the absence of the Soviet Union, the United States has taken control of 60 percent of the world's oil reserves. All the world has become preoccupied with distribution of the spoils.

Dr. al-Safta says: “The only solution is to create a strong Arab bloc, with strong internal and world connections, in order to confront neighboring blocs. This regional bloc cannot be dispensed with, in terms of entering into world economic power, which travels at ballistic speed. Those left behind have no place in this world.”

“In 1992, the Egyptian economy will be affected by three basic groups of changes.” These are Dr. Taha 'Abd-al-'Alim's words. He is an economics expert with the al-Ahram Center for Strategic Studies, who says: “These changes are internal, regional, and international. Development of the Egyptian economy will be determined on the basis of the economic reform package and liberalization changes. These influences will worsen the economic and political problems, as well as the gap in the trade balance, which was about 18 billion Egyptian pounds last year. This number represents a major crisis.

“Egypt suffers from a disproportionate gap between production and consumption. The surplus expected from tourism profits, the Suez Canal, and the balance of remittances will not be sufficient to narrow this gap and the trade deficit. All of this will lead to a continuation of the reasons to borrow from abroad and a subsequent increase in foreign indebtedness. The new year will see a continuation of major dependence on commodity imports to cover production needs. Weak exports will also continue, with some relative regression, since production of exportable commodities such as cotton and agricultural products is decreasing. Finally, the balance that the Soviet Union established before its collapse no longer exists. A new formula for doing business with the world economy must be sought.

“The state must confront unemployment by employing citizens and paying them for productive labor to benefit investments. Well-considered projects can be proposed to attract youthful savers.”

Commerce Official: Remove Trade Barriers

92AF0383C London AL-SHARQ AL-AWSAT in Arabic
7 Jan 92 p 10

[Text] Cairo—Dr. Burhan al-Dajjani, the president of the Federation of Arab Chambers of Commerce, stated that stimulating trade among the Arab countries necessitates removing administrative and customs barriers that impede the flow of trade. He added that an Arab agreement to promote Arab trade does indeed exist, but its implementation is pending the Arab countries' agreement to the lists of commodities contained in the agreement. Information and lines of communication between the Arab countries are also needed.

In an interview with AL-SHARQ AL-AWSAT, he said that there is a plan to set up an Arab commerce information system at the headquarters of the Federation of Arab Chambers of Commerce to provide any Arab state with information it may desire on export possibilities in the other countries. He stressed the need to strengthen economic cooperation between the Arab countries regarding investments and economic aid, especially given the orientation of West Europe toward East Europe, at a time when Arab financing capabilities are diminishing.

Al-Dajjani stated that the participating Arab chambers will be pursuing a new policy that is intended to develop their activity so that it is more representative and serving of the economic sectors, with special concern for trade and investment matters. The federation's basic bylaws will also be amended, and committees are studying these amendments.

The technical studies on these amendments have actually been completed. Once the amendments are incorporated, the new draft bylaws will be distributed to the Arab chambers and then presented to the Committee of Presidents of Arab Chambers of Commerce for discussion and approval.

He stated that it has been decided to establish new joint chambers of commerce. In this regard, an agreement has been reached with Argentina and Portugal to establish a joint chamber of commerce with them after the completion of the pertinent administrative arrangements.

Tourism Sector Investment, Earnings Figures

92AF0385B Cairo AL-WAFD in Arabic 3 Jan 92 p 7

[Article by Mustafa al-Badawi: “Tourism Company Revenue Totals 310 Million Pounds; 790 Million Pounds For Projects, Investments”]

[Text] It has been decided to pay a production bonus to all workers in the tourism sector, ranging between 10 and

13 months' [salary]. Fu'ad Sultan, the minister of tourism and civil aviation, decided to pay 100 percent of the periodic bonuses to about 10,000 workers. Moreover, all profits will be distributed to workers in those companies that made a profit.

'Abd-al-Hamid [Farghli], chief of the Tourism Holding Company, stated that total revenues earned by tourism sector firms amounted to 310.3 billion Egyptian pounds, compared to 435 million pounds last year. Services totaled 250.2 million pounds, compared with 373.8 million pounds [last year]. Tourism sector firms also earned a surplus of 60 million pounds—despite the circumstances of the Gulf war—compared with 61 million pounds the previous year. This is considered a great accomplishment. The value of projects that have been implemented was 618 million pounds, while investments totaled 172 million pounds. The net worth of tourism sector firms' fixed assets was 293 million pounds.

The minister added that the sector comprises five firms. The [Egypt] Company implemented projects worth 342 million pounds, while its investments were 113 million pounds, and long-term loans were 198 million pounds. Net capital was 182 million pounds, and the company earned a surplus of 46 million pounds.

Projects carried out by the Misr Tourism Company totaled 101 million pounds, investments were 12 million pounds, long-term loans 76 million pounds, and net capital 36 million pounds. Because of the Gulf war, there was a deficit of 2 million pounds.

As for the Egyptian Hotels Company, its projects were 64 million pounds; investments, 7 million pounds; loans, 39 million pounds; and net worth, 20 million pounds. It earned a surplus of 5 million pounds.

The Misr Hotels Company's projects totaled 44 million pounds, financial investments were 36 million pounds, loans were 2 million pounds, and net worth of fixed assets amounted to 42 million pounds. This firm earned a surplus of 13 million pounds.

The projects of Misr al-Kubra [Greater Egypt] Hotels totaled 67 million pounds, investments were 4 million pounds, loans totaled 57 million pounds, and the net worth of fixed assets was 13 million pounds. It incurred a deficit of 1 million pounds.

Port Facilities, Shipping Activities Expand

92AE0383B Cairo AL-AHRAM AL-DUWALI in Arabic
13 Jan 92 p 5

[Report by Mahmud 'Abd-al-Maqsud]

[Text] Alexandria—Minister of Transportation, Communications, and Maritime Transport Sulayman Mutawalli, in his remarks at the opening of the Eighth International Conference on Ports, stated that: fees for services provided by the maritime transport sector contributed 934 million Egyptian pounds to the balance of

payments in 1991; the tonnage of the Egyptian maritime fleet increased from 530,000 tons in 1982 to 1.6 million tons in 1991; the capacity of Egyptian ports increased in 1991 to 47 million tons, which has eliminated the backup problem; and investments in port development and construction during 1982-1990 totalled about 2 billion pounds.

The conference was organized by the Arab Maritime Transport Academy [AMTA] in cooperation with the Rotterdam Ports Authority in the Netherlands. It was attended by Justice Isma'il al-Jawsaqui, the governor of Alexandria; Dr. Jamal-al-Din Mukhtar, the head of AMTA; maritime experts from 30 states, representatives of the International Labor Organization, and Mr. Barth [Ardak], a representative of the Rotterdam Ports Authority.

Minister Sulayman Mutawalli added that the ministry has formulated policies to develop Egyptian ports and prepare them to keep pace with international developments in the maritime transport industry. A maritime transport research and investments center has been established, and support has been given to AMTA to improve maritime education and training locally, in the Arab world, and in Africa.

The minister stated that shipping services in the Gulf of Suez have been insured and improved at a cost of about 34 million pounds. Other projects are now being implemented to improve shipping efficiency in the Gulf of 'Aqabah, the Red Sea, and the Mediterranean Sea.

Dr. Jamal-al-Din Mukhtar, the head of AMTA, said that Egypt has provided 140 pounds to the academy during the Arab boycott period in the form of land, buildings, training, and a training ship donated by Japan to the ministry, which, in turn, allocated it to the academy. AMTA has provided training to 40,000 seamen from more than 56 Arab, Asian, and African countries.

Over a three-day period, 16 papers submitted by more than 60 maritime experts from 30 countries were discussed at the conference. These papers concerned the effects of international changes on world trade and the maritime transport industry in Egypt.

IRAQ

Justice Minister on Abrogation of Emergency Laws

92AE0172A Baghdad AL-THAWRAH
in Arabic 24 Dec 91 p 6

[Interview with Justice Minister Shabib Lazim al-Maliki by Sa'di Jasim al-Zaydi; place and date not given]

[Text] The course of justice and affirmation of the authority of the law remains one of the most important attributes that our struggling country is attempting to reinforce. This is what is being reflected through the

presentation of a civilized aspect that is distinguished and advanced in that direction.

It would not be possible to consider any country to be civilized, no matter what heights of industrial or scientific development it reaches, if the law did not possess authority and dignity, and if it did not occupy every corner and nook in the simplest trifles of life and its customary course. Justice is an individual and collective demand. At the same time, the law is the defender of justice and its will.

The great and characteristic solicitude for the legal profession exhibited by the leader, President Saddam Hussein, came from this point of departure. He assigned the appropriate status to its men to render them completely fit to strengthen the exercise of justice. For justice to be done, the law must be implemented to the fullest extent, but do laws have to be suitable for every time and place for justice to take its course? In response to this question, [I would say that] the revolution has legislated many emergency laws and decrees in answer to emergency situations that our country was experiencing. With the end of the emergency situation, the need for those laws and decrees disappears. The directives issuing from the presidential office were in favor of action to abrogate those laws as quickly as possible. The body that has the competence to deal with the subject is the Ministry of Justice, and this subject provided the entree for our interview with Mr. Shabib al-Maliki, the minister of justice, about many matters that influence the course of justice in our country.

Justice Is Our First Goal

AL-THAWRAH met with the minister to solicit his answer, first of all, to his estimation of the state of justice at this stage.

[al-Maliki] In relation to human beings as society's greatest resource, and the importance of their role, the concept of justice becomes very broad. Since ancient times, justice has been the first endeavor of reformers. It is a concept that has been handed down to us from our glorious Arab and Islamic heritage. Leader President Saddam Hussein's thinking on this goes beyond the formal implementation of the law, as when he says that the law is a judge's main weapon in the quest for justice and is not, in itself, complete justice. Working from this concept, the judge's task is to establish justice among men through the implementation of the law and respect for its provisions, in both letter and spirit. The just judge is one who probes the depths of his cases and studies their circumstances in search of their human essence, enabling him to issue a just, and not merely legal, ruling. On this basis, justice requires two things: fair laws and just judges. Since life may present us with something new—as the leader says—existing laws, being man-made, must not assume absolute permanence, but should, at the same time, take on a kind of comparative permanence and stability. The Ministry of Justice, in its capacity to oversee the legal and judicial machinery, is vigilant in its

respect for the implementation of the law, defining its limits and identifying the law-breaking citizen or the one who fails to implement the law. It will persistently work to fulfill this clear mission. As for the administration of justice, we say that many important measures have been taken to consolidate and strengthen justice. Among them is the abrogation of a large number of emergency laws and measures, which had limited citizens' freedom and which were necessitated by the previous stage and enacted in special circumstances. There is also the abolition of the revolutionary court and transferring the cases under its jurisdiction to the regular courts, as well as confining criminal investigations to the legal authorities at the Ministry of Justice, so as to provide those concerned with more guarantees, and so that police departments can devote themselves to performing their original duties of keeping law and order. Originally, the law had entrusted investigations to investigating magistrates and investigators, but permitted entrusting them, in emergencies and in certain circumstances, to police departments. All these important measures contribute to reinforcing citizens' rights so that justice may prevail.

The Leader's Esteem for Jurists

[al-Zaydi] How does the leader, may God preserve him, esteem and continuously protect jurists?

[al-Maliki] This esteem is a sure indication that brooks no interpretation of the extent of his excellency's intense protection and conscientiousness in strengthening the prestige of the law, and of jurists, and providing the circumstances and means that will guarantee the rise of the social and material standard of jurists, in order to allow them to perform their duty in enforcing the laws and dispensing justice. They will, thus, be able to meet the material requirements of life and be immunized from its temptations. Placing jurists at the head of the honor list, immediately following the glorious martyrs, has great significance and deep meaning, indicative of the leader's—may God preserve him—strong belief in justice and appreciation of the role of those that are dispensing it. This generous patronage will be an incentive and a motive for them to continue on their course, in all selflessness and loyalty carrying the sublime message of the law.

Committees To Study Laws and Measures

[al-Zaydi] How goes the ministry's study of emergency laws and measures that are unsuitable for the new life?

[al-Maliki] In response to the command of Leader President Saddam Hussein, four sub-committees and one primary committee have been formed to study emergency laws and measures whose role has ended and which have become unsuited to the new life, the life of construction, democracy, and multiple parties. Each of those sub-committees has dealt with an area of legislation. The first sub-committee has dealt with legislation on the livelihood of citizens and trade legislations; the second, on agricultural legislation; the third, on civil

service legislation, which concerns a large segment of the population; the fourth, on special legislation on confiscation laws that concern ownership and real estate. There is also a fifth committee to review security legislation on citizen freedoms.

The above committees did their work under the supervision of a primary central committee, which scrutinizes the sub-committees activities and recommendations, and then makes its recommendations to the competent authorities regarding retention, abrogation, or revision. The sub-committees and the primary committee have been at work since April, and have made their recommendations on 18 laws that deal with the various aspects of health, commercial, economic, and service activities. They have also finished their study of 130 measures that dealt with the citizens' economic and social affairs; and their freedoms that guarantee them a dignified life befitting the present stage, the stage of construction, development, democracy, and multiple parties. These recommendations have been successively forwarded to the competent authorities, so that they may consider them and take the appropriate decision through revision or abrogation. Based on those recommendations, the leadership has issued decrees to abrogate many emergency measures. Work is in progress to complete this task, which began as an operation to survey and assess the laws and decrees, examine them, and single out the emergency ones for later study in the light of the present circumstances.

But not all emergency legislations require abrogation or revision. By way of example, the committee has recommended the retention—for the time being—of some punitive clauses for some crimes like burglary, because of the danger to the citizens' security and safety inherent in this crime. Furthermore, some of those committees have ended their activities, while others are still active, including the principal Central Committee at the Ministry of Justice, which is still in the process of studying the recommendations forwarded to it from the subcommittees. The legal conference will take place as a follow-up to this operation, where many of the recommendations that deal with legislations will be debated. Its proceedings will, no doubt, supplement that huge operation that the leadership, with leader President Saddam Hussein at its head, is anxious to accomplish to ease the citizen's.

Abrogated Laws and Measures

[al-Zaydi] What are the most important emergency laws and measures that have been abrogated?

[al-Maliki] The most important legislations that have been abrogated for not keeping pace with the spirit of the times, or because they are no longer needed, or the reasons for legislating them having been eliminated, are:

Revolutionary Command Council Decrees No. 521 of 7 May 1983, which include the rejection of an employee's resignation before 10 years of service. Decree No. 200 of 12 February 1984, which stipulates punishment for a

period of no less than six months and no more than 10 years for the employee who stops working or who overstays his leave of absence by more than three days without a valid excuse, and who does not return to work after being warned in writing by his department. Decree No. 942 of 3 September 1983, which stipulates discarding nighttime appropriations for domestic business trips. Decree No. 160 of 14 February 1984, which stipulates reimbursing the employee who works overtime by counting overtime hours as hours of service towards a raise, promotion, or retirement.

Decree No. 761 of 3 July 1984, which stipulates drafting failing students in their last years of college or higher institutes. Decree No. 1177 of 3 November 1975, which prohibits the reappointment or reemployment of an employee who had resigned, or who was considered to have resigned, in any government department or public or private company. Revolutionary Command Council decree Nos. 172 of 18 March 1989, 848 of 5 July 1979, 849 of 5 July 1979, 851 of 5 July 1979, 1169 of 22 July 1980, 1223 of 13 November 1983, 450 of 14 April 1983, 1404 of 8 December 1985, and decree No. 1222 of 1983 [exact date not given]. I would like to point out that the above decrees were abrogated by subsequent Revolutionary Command Council decrees. All were abrogated in June of this year.

As for the other laws and decrees, they remain under study and will take their course in succession.

Increasing Salaries for Minors

[al-Zaydi] Our next question was about the minister's directives concerning the suffering of minors because of their meager salaries and their inability to acquire the basic necessities of life as a result of the tremendous rise in prices.

[al-Maliki] Leader President Saddam Hussein, may God preserve him, has continuously directed that minors' problems be given all the attention they deserve. His excellency personally follows this, and in response to this directive, and considering the difficult circumstances of subsistence, and as a solution to the situation of minors, we have adopted a measure to raise salaries for minors from 100 to 150 dinars per month.

[al-Zaydi] What are the aspects of cooperation between your ministry and the Ministry of Interior to ensure the implementation of the laws so that justice can take its course?

[al-Maliki] Coordination and cooperation between our ministry and the Ministry of the Interior are the best possible. Cases are tackled by joint committees, and this leads to ensuring justice, combatting crime, and implementing the laws. A joint higher committee tracks the cases of arrestees, examines their situations, and studies their cases to expedite trials and settle the cases.

Minister on Voluntary Service to Society

92AE0221A Baghdad BABIL in Arabic 25 Jan 92 p 3

[Editorial by Dr. Umid Midhat Mubarak, Minister of Health and Acting Minister of Labor and Social Affairs: "Voluntary Social Action Is Starting Point To Entrench New Society"]

[Text] Since the early dawn of human civilization, our Iraqi people have been a symbol of creativity and renaissance, and of rising to lofty peaks and summits. They have embodied the ladder leading to advancement and progress in immortal acts and epics. With the Iraqi people's will, the light of learning and the alphabet burst forth from Iraq's soil to all parts of the world to teach man the alphabet of knowledge, learning, and wisdom. For 6,000 years, Iraq has, with its offerings to civilization, given life a meaning and humanity a value and an identity. Iraq has embodied all the meanings of human presence, and Iraq and mankind in its entirety has stood up out of veneration for and recognition of the Iraqi citizen and of his creative role in life.

In mankind's march, the Iraqi citizen's offerings, progress, and victory are unique. The roots of our human renaissance are deep and our cultural manifestations confirm the Iraqi citizen's great determination and creativity from the dawn of human civilization till today. Whoever reads our history knocks with admiration and pride on the gates of the Iraqi citizen's rich offerings and the gates of bright images in which man's complete identity merges with the living reality within a complete perspective of life.

Man must inevitably pause before many of the elements of this creativity that has crafted a vanguard human civilization, prosperous edifices of glory, and feats that maintain their presence to this day.

Perhaps what figures most prominently among these elements is the role of humanitarian and social relations in the Iraqi citizen's aspirations. Iraqi citizens have acted in solidarity to serve and advance the country, and they have led the ranks in confronting critical challenges. These citizens have been a symbol of harmony. Numerous peoples have emulated the Iraqi citizen's bright moments in the fields of development, steadfastness, and defiance. With our pioneer role, we have put our fingerprints on historical eras of life and on the requirements of their development.

We conclude from what we have said that we have a prominent leadership role resulting from the Iraqi citizen's offerings and his creativity in molding the features of life. In his major leadership role, the Iraqi citizen has held back nothing.

These major concepts figure prominently in this important historic phase of our people's life, especially in the area of social relations, where numerous bright images have risen to prominence. I pause here to examine the

horizons of development of the voluntary social movement, which has the attention of Leader and Symbol Saddam Husayn, may God preserve and protect him, because of the great positive yield that this movement contributes to strengthening the mainstays of the social structure and to stirring and exploiting the latent capabilities through the solidarity of society's members. This approach is compatible with modern life. It holds a prominent place in our beliefs and traditions, and it is tied directly to the teachings of our orthodox religion, embodying God's words, may God be exalted: "The believers are but a single brotherhood" [Koran 49:10] and "Muhammad is the apostle of God; and those who are with him are strong against unbelievers, (but) compassionate amongst each other" [Koran 48:29].

Voluntary social action reflects harmony among citizens. It reflects the beautiful concepts of life through purposeful activity and through effective contribution to enhancing fraternal feelings among the various factions of citizens, thus elevating society by balancing rights and duties in the concept of patriotism. This is why I wish, in this context, to remind all, just for the sake of history, that these activities have developed and flourished, thanks to the care devoted to them by Leader President Saddam Husayn personally, may God keep him, and by his noble family. They have devoted extraordinary attention to this seed, tending and watching it until it turned into a shady and strong tree that emits its fragrance into the homes of the needy, into orphanages and old people's homes, into the institutes for the retarded and into kindergartens. The noble family laid down the cornerstone for this activity in Iraq when the eminent Mrs. Sajidah Khayrallah called for creating the Solidarity and Steadfastness Committee and when 'Uday Saddam Husayn founded the Fund for Aiding the Poor. This is in addition to other indirect activities supporting voluntary social action.

We should also recall here the role of organizations in this tendency that seeks to serve Iraq. The Engineers Union, the Iraqi Contractors Unions, the Chambers of Commerce Federation, the Iraqi Women's General Federation, and artists have supported these contributions with fruitful and constructive efforts.

Voluntary social activities are nothing new to our people's genuine character and values, but we are trying to organize and employ these activities within programs and plans so that most of the segments needing care and aid can benefit from them. Let me reiterate that we do not mean the material aspect only, but every constructive effort, creative capability, and bright step and smile, because voluntary social action reinforces the mainstays and bases of social solidarity and propels society to perform its noble tasks of attending to the citizens and surrounding them with special love and attention. This is an important social and educational aspect of the responsibility to enhance social welfare.

Leader President Saddam Husayn, may God protect and preserve him, stressed at an early phase the importance

of voluntary social action. His excellency gave this action profound dimensions and significance, whether in the provisions of the social welfare law or in his excellency's numerous activities, follow-up efforts, and initiatives. His excellency has taken voluntary social action beyond the narrow concept that was based on material charity and on pity, to comprehensive humanitarian concepts as action that falls within the framework of the citizen's tasks and duties of developing his society and pushing it up the ladder of progress. Humanitarian motives and efforts to build the mainstays of a sound society are the core of the voluntary social action concept. Within the context of Social Welfare Law No. 126 of 1980—a law considered to be an important social accomplishment that ensures aid for whoever needs relief from material problems when no income exists or when the income is lost—a family receives the family welfare aid in order to carry on with its normal life so that society's stability can be ensured. Welfare for the physically and mentally handicapped is intended to perform society's and the government's duty toward Iraqi citizens who are partially or completely unable to work, by training such citizens and merging them into society. The government, acting on the basis of Leader President Saddam Husayn's glowing ideas, has provided all the fundamental guarantees of social welfare. But the important thing is voluntary solidarity among society's members in caring for the needy, out of their appreciation of their role and so they can strengthen human bonds, bolster mainstays of the social structure, weave a relationship of love with those who need this care, take part with society in eliminating the suffering that society experiences, and provide the means to overcome the physical or economic obstacles impeding the achievement of an honorable and happy life—a life having a social value and making a distinguished qualitative contribution to developing society and embodying practically man's value and his role in life.

As we have noted, the limits of this action do not end at the material aspect or with care for the needy and poor. Charitable organizations take care of this aspect. But the main point in the voluntary social action concept is based on highlighting the responsibility of society's members in developing social relations and ensuring a stable march of solidarity in society.

Our orthodox Islamic religion has drawn the dimensions and objectives of voluntary social action and it preceded 20th-century sociologists in defining the objectives of this action, saying that the intent of the concept of this action is not just charity and care for the needy, but that this action is one of the mainstays and tasks of religion. Voluntary social action embodies the feeling of citizenship and fraternity that leads to social solidarity, unity among society's members, and a balance between rights and duties. Voluntary social action may be understood by some people as the donation of money. This understanding is deficient and one-sided. The comprehensive character of the action is not confined to one kind of role or contribution. The role performed by a citizen who

makes a voluntary visit to an institute and provides some magazines, books, drawing pens, or a writing tablet equals the role performed by somebody who offers money. What we aspire for is that the dear readers will comprehend the objectives of voluntary social action and will contribute to enriching the social development march, each according to his capacity and capabilities. A writer, a journalist, or an artist can perform a great service through voluntary effort. A workshop or factory owner can offer a part of his production to help the needy, motivated by the concept of social solidarity and unity. Thus, he will contribute greatly to entrenching the mainstays of the social development march, even though we will pay him wages or the price of his goods. Providing a service to the retarded or to those who lack family care, regardless of whether the service is medical, social, cultural, or professional, falls within the concept of voluntary social action.

Within the context of this concept, everybody calls to mind the vanguard role performed by Leader and Symbol Saddam Husayn by tending to the government role, by visiting the orphaned and those who have lost family care, and feeding them personally, and by taking children out for a picnic. Society must emulate the model provided by Leader and Symbol Saddam Husayn in accelerating the pace of voluntary social action.

The Ministry of Labor is not responsible for voluntary social action. This action is the responsibility of all members of society. One must develop the love of welfare for others, each according to his ability. The development of society is everybody's responsibility.

Through the social welfare laws, the government has provided the means of honorable life to whoever needs the social welfare umbrella. But social welfare gains profound meanings and significance through voluntary social action. This is why good people in Iraq have been calling for a long time for the creation of associations with noble humanitarian objectives so that they can engage in charitable activity and can provide care for the orphaned and for those suffering from social disability and can aid families with small income.

Despite the limited scope of these associations' work, the major objectives on which the associations are founded have sewn their role into the fabric of social life and the associations have provided the basic needs of the poor with great pride and dignity. In recent years, these activities have grown magnificently beyond the framework of charitable associations and they have provided popular care for the martyrs' families and for those disabled by the war. They have also provided care in other areas of social life, especially those associations that have built hospitals, provided other voluntary services, and supported kindergartens and homes for the disabled and the old.

With its history, traditions, and deep roots, our people have in this regard a rich record in employing such

voluntary action within organized frameworks and purposeful efforts that seek to reinforce and entrench this action.

Peoples of the world have experienced numerous forms of voluntary social action. Perhaps the most eloquent example in this regard was given in 1968 when the State of Bihar, India, suffered from a major drought. Statistics and experts' expectations speculated at the time that the drought would claim at least three million victims as a result of starvation and epidemics, as had happened in the drought which had struck the Punjab State in 1943. But everybody rushed to aid farmers, students and workers. Charitable associations set up free restaurants and a total of one million meals were provided daily. Volunteer engineers, experts, and scientists conducted an organized geological survey which has enabled the city [as published] to avoid starvation from that time to this day.

Voluntary social action is a fundamental demand in mankind's life and it constitutes one of the features of humanity in the 20th century.

Saddam Called Descendant of Imam 'Ali

92AE0223A Baghdad AL-THAWRAH in Arabic
19 Jan 92 p 4

[Article: "Al-Najaf Governorate Celebrates Birthday of Imam 'Ali Under Auspices of Leader Saddam Husayn"]

[Text] Under the auspices of leader and mujahid [holy warrior] President Saddam Husayn, al-Najaf Governorate yesterday celebrated the birthday of Imam 'Ali Ibn-Abi-Talib (upon whom be peace), which fell yesterday on 13 Rajab 1412 Hijrah.

Mujahid leader President Saddam Husayn deputed Mr. 'Abdallah Fadil 'Abbas, the minister of awqaf [religious endowments] and religious affairs, to attend the celebration.

The celebration began with a recitation of verses from the Koran and the reading of the Fatihah [first verse of the Koran] as a prayer for God's mercy on the souls of the most noble of us all.

The representative of leader President Saddam Husayn gave a speech in which he said: "On the birthday of the imam of religion and culture, the leader of those who profess God's unity and fight for the faith, the Commander of the Faithful 'Ali Ibn-Abi-Talib (upon whom be peace), in the courts of his pure resting place in the most noble city of al-Najaf, I feel great joy that the leader and president, his heroic descendant, bearer of his sword and carrier of his banner, Saddam Husayn (may God preserve and protect him) has graciously deputed me to preside at your generous celebration of this glorious occasion. He congratulates you, our militant Iraqi people, and our glorious Arab-Islamic nation that this

sweet-smelling anniversary comes in this atmosphere fraught with sublimity, steadfastness, honor, and victory."

He added: "Imam 'Ali (upon whom be peace and God's favor) is one of the great symbols of our great nation. He is a towering signpost among the signposts of Islamic guidance. He is a true ideal and an ideal example of Mohammedan education, Arab heroism, and Islamic guidance. He was a sword of truth, an example of sacrifice, and a tongue that spoke with justice. He embodied the values of glory, the height of manliness, firmness of belief, the genius of the Arab individual, the eloquence of clear speech, wisdom of expression, and truth of stance. He reached consciousness of life in the bosom of the teacher of humanity and leader of mankind, our master Muhammad (may God bless him and grant him peace). He accompanied the faithful and trustworthy one from the time he first prostrated himself in prayer in Islam to God, the One and Unique, until he met his Supreme Comrade while in the bosom of 'Ali (upon him be peace)."

Mr. 'Abdallah Fadil went on to say: "Imam 'Ali was the young man who offered his life as ransom for the Prophet (on whom be blessing and peace) during the night of his hijrah [emigration to Medinah]. He was the young man who headed the first line of riders to fight in the decisive battle, the great Battle of Badr. He was the heroic man at whose hands God conquered Khaybar, the citadel of treacherous Jews."

Mr. Fadil pointed out how the imam never left his everlasting position in Islam after the death of the noble Prophet (may God bless him and grant him peace). He remained a minister and advisor, giving pertinent advice on affairs of leadership and justice to his brothers, the rightly-guided caliphs who preceded him in the orthodox caliphate.

"As we stand honoring and revering the memory of our great Imam 'Ali Ibn-Abi-Talib, we feel pride in the splendid and ever-new message we learn from the imam (on him be peace) in the person of his descendant, leader President Saddam Husayn (may God preserve and protect him)."

The representative of the president and leader said: "As the forceful, brave resolve of his ancestor was present to him in his resolute, brave opposition to the forces of atheism and tyranny in the mother of all battles, even so did he make the details of our illustrious Arab-Muslim history daily lessons on the fields of training and confrontation in all our battles against the aggressors.

"Thanks to these ideas, Iraq has remained exalted, with head held high, grasping the banner of truth and proclaiming the values of Islamic guidance despite the great and fearful extent of the vicious aggression led by America, with its client Western countries and proteges, against Arabism and Islam—more than thirty countries against Iraq, which possesses only its faith, its history, and the resolve of its heroic leader."

He affirmed that Iraq had exposed itself to all these dangers in order to remain faithful to its mission, the mission that Imam 'Ali Ibn-Abi-Talib had entrusted to it and for which he had suffered martyrdom. "Our forefathers preserved this mission. For its sake, they fought all aggressors throughout history. The mother of all battles will remain as a witness to the resolve of Iraqis to hold fast to their eternal mission and to our beloved leader's loyalty to the mission of his great ancestor, Imam 'Ali Ibn-Abi-Talib.

"Today, when the birthday of the imam (on whom be peace) and the anniversary of the outbreak of the mother of all battles coincide, Iraqis draw inspiration from his great birthday as the spirit of resolution and defiance to gain splendid steadfastness in the mother of all battles for the purpose of constructive work and rebuilding. As for the cross, it passes away uselessly; but what benefits people remains on the earth.

"With our internal cohesion, devotion to our history, and loyalty to our nation's mission, we will frustrate all the vile plots of the United States and its clients against us. We will prove to the generations that we Iraqis, the army of Imam 'Ali (on him be peace) and the students of his school, will never submit to the atheists and hypocrites. We will be steadfast till victory, God permitting!

"From this sacred city, we raise our voice to ask every Muslim who believes in the path of the Koran, Sunnah [prophetic tradition], and guiding imams whether a Muslim may abandon his Muslim brother. May a brother stab his brother in the back?

"No one doubts that the blockade imposed on Iraq is a treacherous American-Zionist-Atlantic blockade whose goal is to make Iraq submit to Zionist plots and humiliate the Arab nation and the Islamic nation. How can an Arab allow himself to join with the enemies of his nation in blockading his brother? How is it that those who claim to be protecting Islam, its path, and the way of the imam; and who claim to be waiting for the opportunity to strive in battle against America—how is it that they, too, stand in the forefront of support of the blockade?

"Whatever happens, Iraqis know history. They understand their enemies and realize their own historic role in protecting the nation. They consider no sacrifice for this cause to be too dear; and this position they have learned from the lives of the imams and caliphs who were leaders and from all the heroes of the nation."

Mr. Karim Hasan Rida, the governor of al-Najaf, had given a speech in which he said: "The celebration of the birthday of the great hero Imam 'Ali Ibn-Abi-Talib (on him be peace) coincides this year with the anniversary of the filthy conspiracy that criminal America plotted; and its attack with its Zionist, imperialist, and reactionary helpers and allies."

Shaykh Dr. 'Abd-al-Hakim al-Sa'di spoke, extolling the role of Imam 'Ali Ibn-Abi-Talib in spreading the great message of Islam.

He said that Imam 'Ali Ibn-Abi-Talib was one of the great men of the Islamic nation and one of its distinguished lineages.

He indicated that the devices of the infidels had not deflected the arms of the people or turned them away from their principles. The blockade continued, while the people affected by it were going forward to realize their right to a free, honorable life and to call to the good of this world and honor of the hereafter.

Speaking for the religious scholars of al-Najaf, Shaykh Muhammad al-Sadr reviewed the life of Imam 'Ali Ibn-Abi-Talib (on him be peace) and his heroic deeds in the service of Islam and the Muslims.

His Eminence Mr. Haydar Muhammad Hasan 'Abbas, custodian of the sacred Haydari mausoleum, praised in his speech the brave, militant stand of Imam 'Ali Ibn-Abi-Talib (on him be peace) before the forces of atheism, polytheism, and error, to promote the word of God and the true Islamic religion.

The celebration was attended by Mr. Ahmad 'Abdallah Salih, the governor of al-Qadisiyah; the comrade secretary and members of the leadership of the al-Najaf branch of the Arab Socialist Ba'th Party; a number of members of Arab and Islamic delegations participating in the activities of the International People's Islamic Conference; eminent religious scholars; and heads of professional and popular associations, societies, and unions in al-Najaf Governorate.

JORDAN

New Economic Strategy Focuses on Asia, Europe
92AE0219A London AL-SHARQ AL-AWSAT in Arabic
2 Feb 92 p 10

[Article: "Jordan Concentrates on Markets of Japan and Britain To Revive Its Exhausted Economy"]

[Text] Amman, AL-SHARQ AL-AWSAT Bureau—To develop its faltering economy, Jordan has begun to implement a new strategy based on openness and concentrating on taking advantage of the markets in the developed countries. Implementation of the strategy is beginning in the wake of an alarming increase in poverty and unemployment, particularly since more than 300,000 Jordanian expatriates returned after the Gulf war, at a time when Jordan was suffering from a sharp decrease in the value of the dinar and a marked decline in standard of living. Furthermore, there is a worsening foreign debt problem, with the government unable to fulfill its obligations to service these loans, over 60 percent of which are military.

The new strategy, which is being implemented with vision and calm, is based on strengthening economic, developmental, and technological cooperation with the

group of major countries able to give additional economic stimulation to Jordan's virtually exhausted economic body. Foremost among these countries are Japan, China, France, Britain, India, and Turkey.

Prominent features in the overall outline of this strategy include the intensified contacts and repeated meetings that the Jordanian Government is holding with the governments of Britain, France, China, Japan, and Turkey, and with other scientific and international economic markets and bodies that can provide various scientific and economic initiatives to help Jordan confront its economic problems.

In this context, French minister of tourism Jean-Michel Baylet began an official visit to Jordan yesterday. He will hold talks with his Jordanian counterpart, Yanal Hikmat, concentrating on opportunities for providing French support and expertise to stimulate tourism in Jordan. The two countries are to sign a protocol on tourism outlining the possible forms of cooperation.

The French minister will inaugurate the tourism information system that the French government has presented to Jordan as a gift. The system will enable Jordan to keep pace with international development in tourism, a development based on advanced scientific programming. The goal is to give the Jordanian tourism sector an opportunity to explore the most advanced horizons of tourism activity.

Meanwhile, a team of British consultants specializing in the field of geology and mining is continuing to train Jordanian workers in this field in the most modern methods of mineral extraction and processing and how to introduce these methods as part of the advanced industries that will enable Jordan to process and export its mineral resources.

As regards the Republic of China (Taiwan), the Taiwanese minister of state for science and technology, and a delegation of experts accompanying him, held discussions with a number of Jordanian officials, including Crown Prince Hasan, on possible areas of cooperation between Jordan and China in communications, science, technology, and natural resources. The two sides also discussed the possibility of strengthening cooperation between the two countries in the field of phosphates and fertilizers.

Jordan is clearly determined to make special efforts in cooperation with the world's wealthy, developed countries to render effective its activity in the area of exploring for natural resources, especially oil and metals, as well as [natural] gas, which is available in Jordan in large commercial quantities. This will be done in the context of a new path aimed at providing new economic alternatives based on the principle of individual ability and self-reliance.

A prominent Jordanian economic official hinted that the Gulf crisis had been a unique experience for Jordan and had produced a new economic concept for Jordan: that

unconditional reliance on foreign aid could not be an economic philosophy, or even a fruitful policy, in light of the new political and economic equations.

This official indicated that if peace efforts succeeded in moving in the right direction satisfactory to all Arab parties, they would remedy many of the obstacles impeding the Jordanian economy, in light of the new world order being built on foundations including all areas of political, economic, and social life.

The official, who is considered to be one of the architects of Jordanian economic policy, said that the method of diversifying sources of goods and information exchange would be one of the principles governing economic policy and the areas of Jordanian-foreign cooperation in the short term. There would be special concentration on the markets of Turkey, Japan, China, France, India, and Britain, in addition to the existing cooperation between Jordan and the United States, as a power exerting pressure on all the world's economic powers. The goal would be to facilitate the task of economic activity and Jordanian scientific and technological cooperation with various international bodies.

At the end of last week, Jordan signed a memorandum on cooperation with Turkey in the area of ground transportation, calling for applying the principle of reciprocity in this area. Other facilitating measures in the protocol involve truck traffic carrying goods between the countries, transit matters, passengers, freight fees on roads, and reciprocal entry visas between the two countries.

Many people interested in economic activity in Jordan place great hopes on Jordan's new activity in the area of economic and scientific cooperation with the major, wealthy countries. They indicate that Jordan should have followed such a policy decades ago.

Impact of Port, Transport Decline on Revenue

*92AE0219C London AL-SHARQ AL-AWSAT in Arabic
26 Jan 92 p 10*

[Article: "Faltering Ground Transport in Jordan Threatens Bottlenecks at al-'Aqabah"]

[Text] Amman, (AL-SHARQ AL-AWSAT Bureau)—The Jordanian ground transport fleet has recently faced great difficulties in covering increasing transportation needs in Jordan, especially at the Port of al-'Aqabah.

For example, during the second half of last year, the Arab Potash Company and the Jordanian Phosphates Company suffered from a shortage of ground transport vehicles to move their products to the Port of al-'Aqabah by the scheduled delivery dates under agreements that the two companies had made with importers and freighters. The problem became very clear after the Core Cargoes Law was put into effect. In addition, between the beginning of December and the middle of the present month, the Port of al-'Aqabah received 16 steamers loaded with

more than 500,000 tons of loose wheat. The obvious result has been a worsening shortage of ground transport. About eight of these ships were forced to wait at anchor in the port for over a month, until trucks were available to unload their cargoes.

Sources in the ground transport private sector indicate that the most modern trucks in the Jordanian ground transport fleet were manufactured in 1983. Since that date, the Jordanian market has imported no new trucks, except in very special cases, when certain agencies were given permission to import new trucks on a limited scale. This has led to the emergence of negative effects on the Jordanian economy because of a clear shortage of trucks.

These sources go so far as to assert that, by recognized economic standards, the Jordanian ground transport fleet has completely outlived its productive life, the trucks having been placed into effective service more than 10 years ago.

Officials of the Union of Navigation Agents, which considers itself to have been directly harmed by the truck shortage, say that more than 85 percent of goods unloaded at the Port of al-'Aqabah are unloaded directly onto trucks. Any shortage or interruption in the availability of trucks will directly affect the speed at which ships' cargoes are unloaded. These ships, consequently, will be forced to delay at the port, and their owners will therefore impose charges on the importers, plus other effects which may lead ship owners to hesitate to send their ships to al-'Aqabah.

Sources in the Union of Navigation Agents think that the main reason for the shortage of an adequate and reliable Jordanian ground transport fleet is the absence of proper conditions to encourage investment in the ground transport sector. Behind this are the government's decisions to ban the import of trucks, the excessively high prices for spare parts for these vehicles, and the costs of maintenance. These things increase investors' costs. This is in addition to the overall practical conditions of the ground transport sector, which make it a high-risk investment. As an example to support their argument, these sources point out that a trailer truck costs 90,000 Jordanian dinars after customs duties, which is a very high figure in investment computations in the Jordanian market.

Other reasons behind the faltering of the transport sector in Jordan include the fact that many truck owners decided to sell their vehicles to foreign markets during the Gulf crisis because of the halt to their operations. Application of the Core Cargoes Law has caused the transport capacity of the currently available ground fleet to decrease to less than half. Also, the quantities of goods arriving at the Port of al-'Aqabah, and of goods exported, have increased—especially cement, about 2.5 million tons of which are expected to be exported this year.

To solve the problem of the Jordanian ground transport sector, the navigation agents are asking the government to work to include this sector in the law to encourage

investment, as has been done with the industrial sector, for example. They also recommend facilitating lending operations to investors through the Jordanian Industrial Development Bank for the purpose of purchasing new ground transportation equipment, and that the current transport tariff be changed, i.e., raised.

As is well-known, Jordan's revenue from the transport sector through the Port of al-'Aqabah constitutes a high percentage of total national income. Jordan derives more than 500 million dinars a year from this area as direct net income to workers in this sector, as well as fees from ships that come to the port, goods consultation fees, storage charges, ground transport charges, and other charges and expenses.

Agricultural Director on Return of Gulf Markets

92AE0219B London AL-HAYAH in Arabic 16 Jan 92
p 9

[Article by Salah Hazin: "Our Agricultural Exports to Gulf Countries Have Returned To Their Normal Rates"]

[Text] Amman—Mr. Salim al-Lawzi, general director of the [Jordanian] Agricultural Marketing Organization, said that Jordan's agricultural exports to the Arab states, including the Arabian Gulf countries, had begun to return to their normal rates. He said that Jordanian exports of agricultural products had returned to their previous level in quantity and quality, and that Jordan had regained all its markets in the Gulf region, except Kuwait.

He stated that no Jordanian exports were going to Iraq and that Jordan was importing nothing from Iraq except limited quantities of dates for local consumption.

In an interview with AL-HAYAH, Mr. al-Lawzi added that Saudi Arabia, which had reopened its markets to Jordanian goods, was consuming between 50 and 70 percent of Jordanian exports, and that the graph of Jordanian export rates to Saudi Arabia was continually rising.

About the other Gulf markets, Mr. al-Lawzi said: "Our exports reach Bahrain, Qatar, the United Arab Emirates [UAE], and Saudi Arabia. They are among our traditional markets, which we used to supply with agricultural products. This sometimes took place at the expense of the domestic consumer." He said that "Our exports today are reaching Oman and Yemen, though through middlemen in the other Gulf countries, such as the UAE and Bahrain."

Mr. al-Lawzi said that the Jordanian economy's losses due to the Gulf crisis had been great indeed. He added that the crisis had come on top of the difficulties that Jordanian exports had begun to face due to the entry of strong competitors into Gulf markets in the mid-eighties. He said that Jordanian exports had proven themselves, despite the tough competition.

He said that "The Gulf crisis had caused us serious damage, but that we had begun to overcome it in the second half of 1991. "This made us turn to new markets, especially European ones."

Mr. al-Lawzi said the new markets "were a good trading partner for Jordan, despite the difficult terms that the European countries impose on imported agricultural produce with regard to quality and packing, and despite the strong competition that Jordanian exports face from countries such as those in Arab North Africa, Israel, and Egypt, which have strong footholds in Europe." He said that Jordanian exports of agricultural products had reached 6,000 tons per year, which was "a good figure, if we consider the previously-mentioned factors."

Mr. al-Lawzi, who left Amman yesterday for Berlin to attend "Green Week," at which agricultural products will be exhibited, said that Jordan's European markets were Britain, Germany, Holland, and Belgium. He added, "We are in the process of exploring new markets in Eastern Europe." He also said that among the goods that Jordan had begun to export to Europe were flowers, which had previously been among Jordanian imports.

Speaking about the Agricultural Marketing Organization, as whose general director he recently had been appointed, al-Lawzi said that the organization's job was to contact exporters, supply them with information, and facilitate their work through its relations with the Ministry of Transport and Communications and with Royal Jordanian Airlines. Mr. al-Lawzi summed up the goals of the organization, which was founded in 1987, as "the creation of the desired level of producers and exporters at the domestic and foreign level."

He said that everything realized in the area of agricultural marketing had taken place thanks to the activity of the Jordanian private sector.

OMAN

Government Considers Closer Ties To France

92AE0214C London AL-HAYAH in Arabic 3 Feb 92
p 4

[Report by Husayn 'Abd-al-Ghani: "Mitterand's Visit to Muscat Underlines Oman's Policy of Equilibrium"]

[Text] Muscat—When French President Francois Mitterand concluded his visit to the Sultanate of Oman two days ago, he summarized the results of his talks with Sultan Qabus Bin-Sa'id, saying that he felt the presence in the sultanate of the political will to open up to France, and that Oman welcomes the French presence. A joint communique said that both parties agreed to bolster military, political, and commercial ties and to organize and maintain effective contact at the leadership, or ministerial, level.

The Omanis, according to French sources, expressed willingness to develop military cooperation and to purchase French arms. President Mitterand implied that agreements may be concluded in the next few weeks for the purchase of arms, bolstering the existing defense pact.

This consequential shift in relations between Muscat and Paris is not just another extension of the current effort—noticeably apparent since the Gulf war—to develop relations between GCC [Gulf Cooperation Council] states and the Western countries that took part in the international alliance to liberate Kuwait. Rather, the shift represents a differentiated development and a unique achievement by French diplomacy in the region. This is attributed to several fundamental factors:

1. The Sultanate of Oman has traditionally—and still does—maintained close ties with Britain and is now open to substantially developing relations with France. The visit has actually resulted in an acknowledgement that Paris has gained a genuine presence in a region that has always maintained relations only with "Western allies."
2. The current French commercial, cultural, political, and defense presence in Oman does not, in itself, endow the visit with those achievements.
3. The French military role in the Gulf war, as Mitterand himself admitted during his press conference in Muscat, was not so great that it would be foregone conclusion to reward France with a larger political, commercial, and military presence in Oman. The full significance of this achievement becomes even more apparent with French successes in other Gulf states, especially the neighboring United Arab Emirates, where France has recently concluded important military and commercial deals.

In short, during this first visit to Oman by a French president, Mitterand has mobilized the full capabilities of French industry and diplomacy and was able to accomplish his primary objective of increasing French presence in the Gulf, and crossing the more difficult [psychological] barrier of the historical presence of Britain, and of the U.S., to a certain degree.

But what Mitterand received from his Omani hosts is what they chose to give him as an indication, or a message, of even wider application of the policy they have been openly pursuing since the eighties—a policy of maintaining an "equilibrium" with world powers and "avoiding" being bound to a single power or even a single world bloc. An earlier application of this policy was the establishment of diplomatic relations with Moscow a few months after Mikhail Gorbachev took over leadership of the former Soviet Union.

Oman, in dealing with the West, sought to gradually "lessen" current friendly ties with a single Western nation—Britain—and to open new channels of action. This led to a visit by Sultan Qabus to the U.S. during the Reagan administration and to an official visit to

France in 1989 as well as to considerable growth in commercial and petroleum relations with Japan which is Oman's leading trading partner and not Britain as is commonly believed..

Developing a policy of equilibrium, diversifying centers of international action, and increasing Omani diplomacy's margin of performance and maneuverability—all these are possible, and even desirable, now that Sultan Qabus Bin-Sa'id has been on the throne for 21 years; now that Omanis occupy all civilian and military leadership positions; and now that Oman has achieved a unique position in the region by virtue of its differentiated stands on such major developments as Camp David, the Iraq-Iran War, and the Kuwait war.

It is noteworthy that the Omanis, who were domestically able to develop modern political institutions without engaging in a struggle with the traditional establishment, now seek to achieve balance in international relations without undermining historical bonds to old friends. This perhaps explains why the process is proceeding slowly and gradually, and why this particular time has been selected to bolster ties with new friends.

Majlis al-Shura To Begin With Procedures

92AE0157B London AL-SHARQ AL-AWSAT in Arabic
24 Dec 91 p 3

[Article by 'Isam Hashish: "Omani Majlis To Convene Next Month; Selection of Two Deputies To President, Preparations for Legislative Business"]

[Text] The first legislative term of the Omani Majlis al-Shura [Consultative Council] is due to begin on 4 January 1992 under the chairmanship of Shaykh 'Abdallah Bin-'Ali al-Qutbi. Two days ago, Sultan Qabus had officially opened its first session in al-'Alam Palace, thereby inaugurating a new stage in the people's participation in decision-making. He said that the Sultanate of Oman is entering a new stage in its history.

AL-SHARQ AL-AWSAT has learned that the first stage of the legislative session will be limited to a number of procedural and organizational matters to determine the Majlis' methods of operation and set the agenda of its second session, which is due to begin next March.

The procedural matters include selecting two deputies as the Majlis president, composing the executive office, and assigning members to the specialized committees. A responsible source informed AL-SHARQ AL-AWSAT that the selection of two deputies for the president will take place through nomination and voting, following the same framework that each wilayah in the sultanate adopted to select its candidate for membership to the Majlis al-Shura.

The Majlis' by-laws do not specify a first or second vice president to discharge the duties of the president during

his absence. However, the president may assign certain tasks to one of his two deputies or allocate jurisdictions between them.

The internal by-laws clarified many important rules on membership privileges and recognized that freedom of expression within the Majlis is guaranteed for all its members. Except in cases of flagrant offenses, it is not permissible to take any punitive measures against any member during sessions without approval from the Majlis. Likewise, members are not permitted, inside or outside the Majlis, to act in contravention of the law or the internal by-laws.

Members are also forbidden to raise before the Majlis any subject that presents them with a conflict of interest. They are required to refrain from divulging the minutes of Majlis sessions or from permitting non-members to examine the reports of the Majlis or its committees. By-law articles indicate that the Majlis [executive] office and general secretariat are to draw up agendas for the sessions jointly, according to the specified operational plan, giving priority to matters referred to the Majlis by the Sultan or by the government, and to those that are ready to go forward. The secretary general is to publish the agenda and to give the membership at least two-weeks notice of it. The president of the Majlis calls the executive office to regular meetings and may call it to emergency meetings.

The by-laws contain clauses that explain the activities of the Majlis and the rules for carrying out those activities, including drafts of new laws that it receives from the government, or existing laws that the Majlis considers to be in need of amending, or the role of the Majlis in participating in preparing development plans.

The by-laws stipulate that Majlis al-Shura has the right to express its wishes to the government on matters of services and public facilities and ways of developing them and improving their performance; or on matters dealing with obstacles to the economic sector, whenever the Majlis considers that the public interest requires such actions.

As to procedures for questioning ministers, the by-laws decree that members of Majlis al-Shura have the right to direct questions to the service ministers, but a member may ask no more than one question of any minister.

The by-laws specified the definition of a question, stating: "By 'question' is meant an inquiry on any topic by a member about a matter that is unknown to him, or any matter that has come to his attention and which he wants to verify.

Shura Council Head Spells Out Council Rights

92AE0214D London AL-SHARQ AL-AWSAT in Arabic
6 Feb 92 p 4

Report by 'Isam Hashish: "Head of Omani Shura Council: Asserting Member Rights To Question Ministers; Immunity in Legislating, Planning, Oversight"]

[Text] Muscat—It was difficult a year ago to envisage elections to select members of an Omani Shura Council [Consultative Council] that would be vested with authority to summon ministers and question them, promulgate laws and legislation, oversee the performance of the executive authority, debate ministerial policy, and advance ideas and solutions to problems encountered by the government. That vision, in many of its aspects, may not have been appropriate for societal structure, and certain of its details may have been contrary to the Omani experience with consultative legislative authority.

But such a council has indeed been formed, charged by Sultan Qabus Bin-Sa'id with such competence and vested with considerable authority, and it has proven harmonious with the Omani experiment.

The Shura Council of the Sultanate of Oman has actually commenced operations and concluded its first procedural session. It is now preparing to hold its second session next March, when it will put its authority to the real test.

The council's most important function is perhaps to review all laws and legislation and submit recommendations on them to Sultan Qabus before they are promulgated by royal decree. The Shura Council therefore constitutes an essential link in the legislative chain in the Sultanate of Oman.

In an interview with AL-SHARQ AL-AWSAT, Shaykh 'Abdallah Bin-'Ali al-Qutbi, head of the Shura Council, elucidated on the authorities and competence vested in the council by Sultan Qabus. He said that "no legislation will become law unless it is reviewed and debated by the council, which also has the power to review five-year plans. The government will not proceed with the latter until they have been reviewed by the council and their priorities set in accordance with its wishes."

He added that "This means that the council has a fundamental role in the planning process and in reviewing executive performance. All service ministers will have to prepare strategies and plans and submit them for review by the council at the beginning of each year. This means that the council now has essential roles to play in legislating, planning, and oversight, in an appropriate fashion and to a degree that conforms with the progress of society."

This gradual policy, initiated in 1981 with the formation of an Omani Consultative Council that lasted 10 years and was succeeded last year by a Shura Council that is more advanced in all respects, has proven effective in advancing society step-by-step with serenity and confidence. The tremendous gains it won for Oman in populist decision-making have been along two lines:

1. The Shura Council represents only the people and no government representatives were appointed to it, as was the case with the Consultative Council.

2. The 59 members of the council were nominated and elected by their local constituencies, with no government input and in the spirit of democracy, without any problems worth mentioning.

[Hashish] Each state had to nominate three of its residents and the government would select one of them to the council. Why was the final selection not left to the states themselves, since they would seem to be in a better position to select the representative they want, instead of offering the government three nominees to choose from?

[al-Qutbi] By the multiplicity of nominees, the government intended to insure diversity in member backgrounds and consequently, the council's ability to play a more effective role. That way, the majority of members would not have similar expertise. Since the three nominees were elected freely and selected by their states with absolutely no government interference, then there is no problem with the government choosing among them in order to achieve the desired balance. Members devote their full time to the council and are prohibited by law from having government jobs.

Of the many new elements that have been added to the Shura Council and that differentiate it from the state's Consultative Council, one power is especially significant. This is the council's authority to summon ministers and question them on their ministries' policies. The parliamentary term for that is "the right of interpellation." However, this right may be different in Oman than in other countries, where it might culminate in withdrawing confidence if the interpellated minister fails to convince members of parliament of the soundness of his policies and strategies, or should he fail to properly discharge his duties as a responsible minister. The question of withdrawing confidence is moot, since the ministers are appointed by Sultan Qabus and not by the council. However, the ministers must respond to all [council] member questions. The council, should it reach a specific conclusion on the basis of the testimony heard, may make recommendations to the Sultan. A minister who objects to council recommendations must justify his objections and submit them to the Council of Ministers, which would then relay them to Sultan Qabus.

I would like to emphasize, however, that there is lots of room for debate and for convincing and being convinced. For as long as the state's Consultative Council was in operation, no conflict at all rose in that respect. There are requirements and ambitions, and there are capabilities and plans, and we do not go outside that framework. Freedom of expression is there and so are rationale and reasoning in the public interest. To the extent that the new council has been vested with authorities and important powers, especially at this stage, the bylaws include stipulations that assure the council members' freedom to discharge their duties, and assure their rights to express their views with impunity, similar to parliamentary immunity in foreign countries."

Al-Qutbi pointed out that all Shura Council members have been vested with a number of immunities and privileges to guarantee their neutrality and impartiality in the performance of their duties and in the service of Oman. There is a provision that guarantees "all members freedom of expression in all their deliberations and recommendations." Another provision stipulates that "no punitive action, except in cases of flagrant violation, may be taken against a member while the council is in session, except with council permission.

It is obvious from these provisions that the Omani Shura Council, who participates in the decision-making process by dispensing advice, has benefited from modern practices in both East and West, adapting those appropriate to Omani life and to the stage of development and advancement that Omani society has been able to accomplish and handle with confidence and poise.

The Shura Council, and the Consultative Council before it, were not copied from other societies. All societies are different and what may be good for one society is not necessarily good for our Omani society, because of social, economic, and political realities. That is the wisdom that has guided Sultan Qabus during all stages of national endeavor in Oman."

Muscat Builds \$75 Million Trade Center

92AE0157A London AL-SHARQ AL-AWSAT in Arabic
23 Dec 91 p 11

[Article by 'Isam Hashish: Mixing Marketing With Recreation; Huge Trade Center In Muscat To Cost 75 Million Dollars]

[Text

Muscat—To construct a new trade complex in a city that abounds with sizeable and successful ones has to be considered a "gamble" that might or might not succeed. Nevertheless, the city of Muscat is today preparing for the opening of a tourist, trade, and recreation complex that is considered to be the largest in a series of trade centers in the Sultanate of Oman.

The first stage of the project cost 11 million Omani riyals (\$28.6 million). The cost of the second and third stages will amount to approximately 18 million Omani riyals (\$46.8 million), a huge (\$75.4 million) investment that comes at a time when Muscat is overflowing with [trade] centers. As its most important distinguishing feature, the complex will contain a center for businessmen and investors. At its next stage, it will, for the first time in the Gulf, also include an astral dome (planetarium), in addition to a giant artificial lake, an entire entertainment city, huge marketing centers and first class restaurants.

In spite of the project's risks, Zahir al-Harithi, who conceived the project and named it "al-Harithi Complex" does not consider it a gamble. Neither does he want to look upon it as a huge trade center that, now and for the next fifteen years at least, would have no equal in the Sultanate of Oman. He does look upon it, however,

as a cultural statement that increases the significance of the tourist and commercial life in Oman, and as an opportunity to provide services and hospitality to investors and foreign capital in Oman, enabling them to conduct business in an atmosphere that offers the greatest measure of facilities.

Zahir al-Harithi said: "I got the idea for the project several years ago. It persisted during every trip I made to large European or Asian countries, but conditions were not favorable. Turning to this type of investment does not at all mean that other investment opportunities in the sultanate are not viable. At the present time, the sultanate is enjoying an excellent economic situation. All investment opportunities in it are good and useful. However, as an investor, I recognized the importance of this opportunity, not from an investment perspective, but for the future of tourism in the country.

"The recreational side in the life of modern man is no longer a kind of self-indulgence practiced by those possessing high financial capabilities, but has become a fundamental component in the life of every human being. Huge numbers of citizens and residents of the sultanate go abroad for tourism.

"In the language of economics, this means that the country is losing great sums of money as a result of spending this portion abroad. This, at a time when the sultanate is attempting to attract tourists from various countries in order to achieve an economic return. I believe that our spending on recreation outside the sultanate exceeds the return that the country earns from tourism.

"The project provides recreational, as well as marketing, opportunities to put in practice the meaning of integration in providing services. It also includes an educational and recreational facility in the shape of a cosmic dome, or 'planetarium.'"

"Building a center specifically for businessmen," al-Harithi explained, "is considered a necessity, because such a service is not available in Oman. The center has been equipped according to international specifications.

"The completed first stage of the project contains a post office, a pharmacy, a bank, an exchange bureau, translation and secretarial services, a children's playroom, an area for electronic games for young people, first class restaurants, fast food restaurants, various mercantile establishments, public telephones and offices for businessmen. At its second and third stages, the project will contain shops for women, convention halls, innovative and up-to-date methods of modern electronic advertising, halls for weddings and celebrations, restaurants with international cuisines, open-air gardens, games, recreations, and a parking garage for 2,500 cars."

The response of Omani merchants has been positive and they have reserved places in the complex. The management of the complex has provided suitable interior

decorations for all markets, and the shops have been grouped according to their type of business.

Commerce Chief Discusses Capital, Cooperation

92AE0157C London AL-SHARQ AL-AWSAT in Arabic
31 Dec 91 p 11

[Interview with Omani Chamber of Commerce and Industry President Ya'qub al-Harithi by 'Isam Hashish: "Gulf' Between Businessmen, Chamber; We Reject Guardianship of Trade Ministry, Prefer Coordination; Oman Is Unilaterally Implementing Many Provisions of Economic Agreement; Foreign Investment Law Requires Revisions, Greater Incentives; 'Omanization' Must Not Impede Production; We Still Need Immigrant Work Force; Development Bonds Might Have Affected Activity in Shares, But Making Many Choices Available to Investment Capital Prevents Flight Abroad; Chamber Supports Consolidation of Banks Into Four Large, Powerful Banks; I Left Chamber Before Recent 'Summons' Out of Conviction"]

[Text] Some days ago, the sultan of Oman, Sultan Qabus Bin-Sa'id, issued a decree to appoint Ya'qub al-Harithi, one of the most prominent businessmen in the sultanate, as president of the Oman Chamber of Commerce and Industry, replacing Maqbul Bin-'Ali Sultan, who has been appointed Minister of Trade and Industry.

This choice had an impact on businessmen in the sultanate, because Ya'qub al-Harithi had refused to submit his name in the latest elections to the chamber's board of directors. He preferred to leave his post as vice president and declared that he was doing so because he had failed to bring about the required changes in the chamber's role. Courageously, he said that he preferred to give up his position to another who would be able to achieve what he had failed to achieve.

Ya'qub al-Harithi firmly avoided the limelight, but the sultan's decree returned him to it with a vengeance.

Now that he has assumed the post of the president of the chamber and the arbiter of its affairs, the question that has to be put to him is: What did he fail to achieve which made him leave public service at the chamber? And what is he proposing now to make up for the failure and turn it into a success?

AL-SHARQ AL-AWSAT met with the President of the Omani Chamber of Commerce and Industry and put the same question to him.

Ya'qub al-Harithi expressed his opinions on many of the important economic problems that are now occupying Omani economic circles. Some of these problems are: Omanization, foreign investment, Gulf economic cooperation, the competition for current local liquidity, the consolidation of the many commercial banks in Oman, and other important economic problems.

Grateful For Trust

[Hashish] What were your feelings on assuming the post of president of the Omani Chamber of Commerce and Industry, having served it in the capacity of vice president and then becoming reluctant to participate in its activities?

[al-Harithi] The fact is that I left the chamber out of conviction and desire, and I was not thinking of returning to it at all. When I was informed of the decision to appoint me as president of the chamber, I felt that the call was something I could not evade, and that I had to face the facts and contribute what I can to revive the work and activities of the chamber so that it may exercise its role in the economic field with more depth.

[Hashish] Your reluctance to renominate yourself for membership in the chamber's board of directors, together with other chamber officials, like Khamis al-Hashshar, has created much hubbub about the reasons for this reluctance. Would it be possible for you to reveal your real position to us?

[al-Harithi] On the one hand, the real reason was the wish to give others a chance to assume my position in the chamber. I had declared, at the time, that I had failed to introduce real reforms into the chamber and that it was more appropriate to give up my position to another person who has the daring and the ability to introduce the required reforms. On the other hand, I have rejected, and I still reject, the idea of maintaining a guardianship over the chamber. This rejected guardianship proceeds from two directions. The first is from the members of the board itself, who want to remain as board members for the longest possible time and refuse to give up their positions to others to play their part. I consider this to be a guardianship. The other is the guardianship of the Ministry of Commerce and Industry over the chamber. I consider the relationship between the ministry and the chamber to be one of coordination and cooperation—no more, no less. The chamber has an independent corporate personality that has been stipulated in the sultan's decrees.

[Hashish] What is the form of this rejected guardianship?

[al-Harithi] The ministry's interference in the chamber's policies, which are the province of the president and members of the board of directors.

[Hashish] Do you believe that the appointment of the former president of the chamber as minister of commerce and industry will mean severing the connection for exercising this guardianship?

[al-Harithi] I believe that the current minister of commerce and industry, being a businessman from an illustrious merchant family in the sultanate, will consider what role the ministry is to play and what role the chamber is to play, and how to coordinate the two in a way that will guarantee that each would perform its role correctly.

[Hashishi] What were you trying to achieve for the Chamber of Commerce and Industry, but failed, as a member of its board of directors?]

[al-Harithi] As far as its organizational structures, its jurisdiction, and its competence are concerned, the Omani Chamber of Commerce and Industry was well conceived. What is needed after that is the correct method to utilize the sound body that the chamber acquired when it was established.

What particularly concerns me now is the subject of committees. The chamber's eight committees form the ring that links the chamber with businessmen. Unfortunately, this ring is inadequate, and is so delinquent in performing its requisite role, that even now the committees still do not have their own secretariat to prepare the minutes for meetings and follow up on implementing the ideas that are presented in them.

On another level, the Chamber of Commerce and Industry has many links to the associations of Gulf and Arab chambers [of commerce] and has many bilateral relations with Arab and international chambers. This formidable number of Gulf, Arab, and international relations needs an independent mechanism that will organize and follow up the development and strengthening of our relations with foreign organizations. Unfortunately, this mechanism is not present to an extent that ensures the achievement of our goal. There are difficulties, but this follow-up is, in fact, an important requirement to render our participation in relations with those organizations useful and effective. Otherwise there would be no point in that participation.

From my point of view, what is more important is the chamber's expansion and its obligation to participate in more than 10 bodies and committees at numerous levels. I was against this great mass of obligations, participation, and work, which requires great human resources, competence, and time.

All that is not available in the necessary measure. On my desk now are files, schedules, and topics that might need a whole month before an official could form an opinion that would enable him to participate effectively in the activities of those bodies and committees. Doing all this work would no doubt have its effect on other jobs that are necessary for managing the business of the chamber.

A Role Or Seats?

[Hashish] Do you mean that the chamber has to give up its seat and its participation in the activities of those committees?

[al-Harithi] I mean that we should reduce our obligations and participation in some committees when we see no need for the chamber to participate in them. In fact, the chamber strove, from the beginning, to have a presence in the greatest number of committees, and at all levels, while it was not necessary for us to participate this much.

[Hashish] Among the successes that are attributed to the Omani Chamber of Commerce and Industry is that it was able to win a seat on many committees in order to make the private sector's voice and opinion heard in the projects debated by those committees.

[al-Harithi] That is, in fact, an advantage. But the problem is one of cadres and competence that will be able to cover all this expansion. I am with the chamber as far as expansion is concerned, but I am now obliged to move away from some of those seats because of this problem.

[Hashish] Is the chamber's problem one of securing cadres, then?

[al-Harithi] Initially, and before making a commitment to participate, we should have had the talent capable of participating effectively in those gatherings.

[Hashish] How was the participation in the previous period: superficial, marginal, or effective?

[al-Harithi] I am unable to pass judgment on it, but in my opinion, it was not up to the required level.

[Hashish] Is it now appropriate to retain the role of the chamber in the important committees only?

[al-Harithi] I believe that it is now important to support the chamber and strengthen its machinery so that it can both contribute and profit from its participation in those committees. This is my first priority, so that the chamber will be reorganized to an extent that would ensure greater competence.

Lost Goodwill!

[Hashish] How is the relationship between businessmen and the chamber?

[al-Harithi] There is a gulf between active businessmen and the chamber. My task now is to diminish this gulf by inviting businessmen to the chamber to discuss their business problems and those of the national economy on a tangible level. This trend was formerly absent, but together with our colleagues, the members of the board of directors, we shall attempt to expand its implementation so that there will be affinity, discussion, and rapprochement between businessmen and the chamber.

[Hashish] In your estimation, what are the reasons for this gulf?

[al-Harithi] Lack of communication and continuity.

[Hashish] Do you see that as the responsibility of the active businessman, or of the chamber, for alienating him?

[al-Harithi] It is a joint responsibility, because a businessman will attend, participate, give his opinion, and join the board of directors to raise the competence and effectiveness of the chamber's activities when he is

invited to join an important discussion that touches on his interests and those of his country.

The Minister And The President

[Hashish] Did you meet with the minister of trade and industry after the issuance of the sultan's decree?

[al-Harithi] Yes, and I took over from him the presidency of the chamber.

[Hashish] Are there any projects that he began and that you will have to complete, or are you making a new start?

[al-Harithi] The activities of the chamber are linked. The new president has to complete what the previous president began, and then he will have his new start.

[Hashish] The two officials now in charge of the Ministry of Trade and Industry and the chamber are two of the biggest businessmen in the sultanate and can well empathize with the problems of businessmen in the private sector. Do you feel that this means that their problems will be solved?

[al-Harithi] Neither the ministry nor the chamber are, in my estimation, able to create miracles without a policy of encouragement from the state.

[Hashish] What is your reading of the climate that the government now provides for the private sector?

[al-Harithi] The new direction calls for optimism and gives one to understand that there will be flexibility in specifying the opinions of the ministry and the chamber, with the aim of encouraging investment and stimulating the economy to a greater degree.

Work Programs

[Hashish] Do you have a definite work program to begin your new activity in the chamber?

[al-Harithi] My first priority is expanding and developing relations between the Oman Chamber of Commerce and the Association of Gulf and Arab Chambers of Commerce, in addition to those of friendly countries. This is so that we can be of use; and use their knowledge, investments, and marketing their products, and solve the problems of investment and commercial exchange between Oman and those countries. On the sultanate level, however, I believe that current investment activities in the sultanate now are proceeding properly, especially as far as industrial investment is concerned. The foreign investment law in the sultanate still needs some revision to enable it to encourage the foreign investor and give him the incentive to invest in Oman. It is the chamber's job to present suggestions and studies on this topic, and this is what we intend to do in the chamber with the help of businessmen [words illegible]

[Hashish] To what extent, in your estimation, is the Sultanate of Oman a country that attracts foreign investment?

[al-Harithi] With its geographical position, its distance from areas of tension, its proximity to the open seas, and its stable political and security situations, Oman provides great opportunities for investment. The only comment here is on legislation that encourages investment from the perspective of facilitating the entry and exit of investors and the flexibility of immigration and passport procedures.

Dissatisfaction

[Hashish] How do you assess the course of economic cooperation between the Sultanate of Oman and the countries of the Gulf Cooperation Council [GCC]?

[al-Harithi] Gulf cooperation is a basic principle that was adopted by the leaders of the GCC countries for the integration and benefit of the countries of the area at all levels, including the economic level. However, there are, at this level, different points of view among the GCC countries. In fact, the Sultanate of Oman has played the leading role in this sphere. It has almost single-handedly implemented many of the economic cooperation clauses that were stipulated in the unified economic agreement in order to push this agreement to full implementation.

Omanization, But—

[Hashish] The Omani Government confers great importance on the Omanization of jobs and replacing the immigrant work force with national cadres as soon as possible. What is your understanding of "Omanization?"

[al-Harithi] "Omanization" is a vital and necessary step. However, there has to be restraint in expanding its implementation, so that "Omanization" will not impede production. It must not negatively influence the economy, be it in the industrial, commercial, or tourist spheres.

[Hashish] How does it influence it negatively?

[al-Harithi] By leaving the wrong person in the workplace, only to ruin it under the banner of "Omanization." The assumption is that the proper, qualified person should be in the right spot to enable him to produce with greater impetus, not the opposite.

[Hashish] What, in your estimation, is the extent of the role of the immigrant labor force in the fabric of the national economy?

[al-Harithi] The immigrant labor force still has a big and effective role and we shall need it as long as we lack a national labor force that offers the same productivity and input. The matter might require some time to train and qualify those cadres.

[Hashish] What is your estimate of the utility of the government paying training costs to private sector companies, and reimbursing trainees with a percentage of their salaries, to push the operation of qualifying Omani cadres forward?

[al-Harithi] This operation will be beneficial if the trainee and the training company take it seriously and are genuinely willing to benefit from those incentives. But if the case is one of working to distribute graduates to companies simply to satisfy the government in its pursuit of Omanization, without subsequent follow up and supervision to ensure seriousness, then the result will not measure up to government input.

Endeavor, Not Pampering

[Hashish] Do you see some "pampering" in paying training costs and trainee salaries to attract the young people to work, especially in the private sector?

[al-Harithi] It is an honest endeavour on the part of the government to aid the young people in any way to prompt them to work and produce. In my estimation, this is not pampering, but an endeavor whose success is dependent on the good will of its beneficiaries and those who implement it.

Local Liquidity

[Hashish] How do you explain the current competition to polarize local financial liquidity through development bonds offered by the state, issues by new companies, stock exchange shares, and new development projects that need more capital, in spite of limited financial liquidity?

[al-Harithi] In my estimation, all are options for national capital that are intended to keep it from leaving the country. I believe that these wide choices do not affect each other, even though there has been talk that the offer of state development bonds, with their tempting advantages, has had its effect on the volume of stocks and shares changing hands on the Muscat exchange. In the final analysis, they are options open to the Omani investor. He is free to place his capital in whatever he considers to be the most profitable arena. I also believe that current liquidity in the market is good, to the extent that the liquidity of local banks exceeds the demand for it.

We Were Not Asked

[Hashish] The question of merging local banks (23 banks) is one of the topics that has been under consideration for some time and which is facing difficulties in its implementation. However, the Chamber of Commerce and Industry has had no role until now. Why? What is your opinion on this topic?

[al-Harithi] Merging the banks is an important topic and the chamber agrees with it, and considers four powerful banks to be more preferable to 20 weak ones, both in offering services, and as far as the security of the banks themselves is concerned. The chamber considers bank mergers to be the appropriate solution for small banks that might be facing dangers, and for the national economy, through the creation of financial blocs that possess large capabilities.

[Hashish] Would you suggest a certain method to merge the banks?

[al-Harithi] I believe that this is subject to certain controls by the Central Bank of Oman, and a committee will work [two last words illegible]

Bank of Oman Acquires 9 New Branches

92AE0214B London AL-SHARQ AL-AWSAT in Arabic
3 Feb 92 p 9

[Report from Muscat by 'Isam Hashish: "Arab Bank of Oman Acquires Nine European Bank of Oman Branches"]

[Text] The Arab Bank of Oman has accomplished one of its objectives by acquiring all branches of the European-Omani Bank [name as published] in the sultanate, in competition with a number of other Omani banks that wanted to expand throughout Oman.

The Arab Bank of Oman is owned 49 percent by the Arab Bank Limited (Jordan); and 51 percent by the Omani side (50.99 percent owned by the Omani International Company for Investment and Development; 0.1 percent by the National Insurance Company).

The Arab Bank of Oman has therefore had its first sizeable opportunity to expand its activity and presence in the sultanate.

The bank had twice failed to acquire the 13 branches of the Bank of Credit and Commerce International. That is perhaps why it put all of its weight behind this deal, which added nine new branches to its existing eight branches, for a total network of 17 branches in Oman.

AL-SHARQ AL-AWSAT learned that the Arab Bank of Oman paid 605,000 Omani riyals (\$1.5 million) for the good name of the European-Omani Bank. The deal also covered the purchase of assets and liabilities of the European-Omani Bank, whose customers have already been notified that their accounts have been turned over to the Arab Bank of Oman.

'Abd-al-Qadir 'Asqalan, general director of the Arab Bank of Oman, told AL-SHARQ AL-AWSAT that it is the bank's policy to expand its integrated banking operations throughout Oman, and that the policy coincided with the European Bank of Oman's desire to sell its branches and move toward specializing in credit, joint loans, and credit facilities for specialized companies.

He added that the Central Bank of Oman has approved the agreement signed by Ahmad Bin-Suwaydan al-Ballush, chairman of the board of the Arab Bank of Oman, and Talal Bin-Tariq Al Sa'ud, chairman of the board of the European-Omani Bank.

The only precedent in Oman for this deal occurred a few years ago when The International Bank of Oman acquired 19 branches of the British Bank of the Middle East. Mr. Talal Bin-Tariq said that divesting itself of the

branches was in keeping with the bank's medium-range development plan, which recommended the need to "focus on investment activities and on institutional banking services," and consequently to get out of retail operations.

He added that the plan was conceived by European-Omani Bank (Banque Indo-Suez) partners after an extensive field survey of the commercial and banking sector in the sultanate, during which they met with a number of officials of the banking and commercial sectors and "acquired sufficient data that was beneficial in formulating the plan we are beginning to implement."

Mr. Talal Bin-Tariq also expressed gratification and confidence in the Arab Bank of Oman, which acquired the branches.

'Abd-al-Qadir 'Asqalan, general director of the Arab Bank of Oman, said that the acquisition of the new branches, which are already operating under the bank's name, will augment the bank's balance sheet by about 10 percent. He added that, insofar as the number of branches is concerned, the bank still ranks fifth among 26 domestic banks in the sultanate, despite its acquisition of nine branches at once.

Joint Sector Forms Chromite Mining Company

92AE0214A London AL-MAJALLAH in Arabic
15 Jan 92 p 62

[Article: "Omani Company To Mine Chromite"]

[Text] A company is being formed to mine the Sultanate's chromite reserves. The government will own a 15-percent capital share in the new "Chrome Oman" Company. The private sector will own the remaining shares, in keeping with government policy to encourage private sector participation in major projects.

Domestic companies will hold 45 percent of the shares. The remaining 40 percent of shares is available for public subscriptions that was begun in the middle of last December and will continue through mid-February. The company is capitalized at 3 million Omani riyals (\$7.8 million), half of which will be paid-up capital.

The sultanate has chromite reserves of about 1 million tons at some 600 sites, according to Ministry of Petroleum and Minerals estimates.

The Oman Chromite Company will begin operations at two sites that are easily excavated, then move on to other more difficult sites.

A chromite-iron factory and a chromite-copper factory are also planned. The two metals are commercially exploitable in the sultanate. The 'An Mining Company [possibly 'am, meaning state mining company] is prospecting for copper through its facility at Suhar, but the government is looking into prospecting for other metals such as gold, platinum, sulfide, and coal.

SAUDI ARABIA

Port Authorities Respond to Shippers' Suggestions

92AE0201A London AL-SHARQ AL-AWSAT in Arabic
25 Jan 92 p 10

[Article by Ahmad Makhtum: "Director General of Jiddah Islamic Port: Lower Fees Saved Businessmen, Exporters 100 Million Riyals"]

[Text] The director general of Jiddah Islamic Port, Zuhayr Muhammad Ibrahim Mas'ud, renewed his invitation to the Saudi private sector to take advantage of all job opportunities available at the port, and urged businessmen to claim their rights and come forward with their recommendations and thoughts on anything that is apt to advance the port's operations.

He told AL-SHARQ AL-AWSAT that businessmen, be they importers, exporters, or industrialists, should present to port management any problems and views regarding the port's operations with a view to seeking the best solutions.

He underscored the fact that day-to-day operations, such as loading and unloading, maintenance, and cleaning activities, are run by Saudi companies while the government's role is limited to supervisory duties. He also said that the idea of privatizing port operations has been a definite success, and "we are now in the process of expanding this idea to include many matters previously handled by the government."

The port's director general focused on the importance of cooperation between the port's management and the private sector, but said that businessmen must make management aware of their views and recommendations because they are in the best position to do that, given their work relationship with the port.

The director general cited several examples of the port's responsiveness to the businessmen's views and recommendations. He said that some shipping agents had complained about the time it took to process sailing orders, which required 19 signatures, whereupon management, convinced of the validity of their complaint, cut the requirement to only three signatures.

He talked about another recommendation to establish a center for shipping and clearing agents inside the port so that they may have direct access to the computer and database. He added that the port's management has embraced this view, and work on this project is in its final stages.

He also mentioned that some ship owners had asked the port to designate one or two docks for light maintenance, adding that the port has embraced this recommendation and final studies are now under way.

To demonstrate how rights can be claimed and attained, the director general said that the National Shipping Company had applied for a storage area at the port, and

the request had been approved. He added that these were some of the methods the port was trying to implement which could be applied to other merchants and shippers.

The director general then talked about services that the port offers the private sector, including:

- "State-of-the-art basic equipment seldom found at other ports; This is an outstanding service that utilizes modern automation, and we are doing our best to upgrade it.
- "Using modern administrative and operational techniques; There has been no problem with administrative services.
- "Making available information to merchants, exporters, and manufacturers, because we live in the age of information, which is essential to their business;
- "Cutting port fees by 50 percent of established tariffs; This rate has saved 100 million riyals, according to current export rates.
- "Building quality-control laboratories that can be used to ensure the quality of exported merchandise, should exporters deem it necessary;
- "Major areas set aside at ports to be leased to merchants at nominal rates."

Mas'ud concluded his interview with a warning to the private sector against unreasonable competition for bids. He said that some merchants may submit a 20-million-riyal offer for what he knows is a 50-million-riyal project, thus hurting themselves, the port, and Saudi contractors.

National Shipping Orders 3 Chemical Carriers

92AE0211A Riyadh AL-RIYAD in Arabic 22 Jan 92 p 2

[Article by Sulayman al-Nasir]

[Text] A contract for the building of three new Saudi carriers with a total capacity of 111,000 tons dead weight at a cost of 845 million Saudi riyals was signed yesterday. The National Chemical Carriers Company, a limited liability company that is 80-percent owned by the National Saudi Maritime Shipping Company and 20 percent by SABIC Marketing Company Limited, signed the contract with Kvaerner Company, a Norwegian shipbuilding company. The contract was signed by Dr. 'Abd-al-Rahman al-Zamil, chairman of the board of directors, and Diderik Schnitler, chairman of the board of directors of Kvaerner Govan Company.

After signing the contract, Dr. al-Zamil said the National Chemical Carriers Company, on the basis of the success it achieved last year, decided to expand its operations and boost the capacity of its carrier fleet. The decision is based on marketing studies which the company carried out, and worldwide studies of the petrochemicals and chemicals market that showed that there will be an increase in demand for petrochemicals and chemicals and, consequently, an increase in demand for transporting these products. The kingdom being a major

petrochemicals producer, the company's objective is to achieve the goal for which it has been established, namely to transport national exports.

Dr. al-Zamil that said the contract provides for building three chemical carriers according to the National Chemical Carriers Company latest technical specifications. The carriers will be built in Kvaerner Company's docks in Scotland and Norway.

The first carrier will be delivered by the end of 1992. The capacity of each carrier is 37,000 tons dead weight. By building these carriers, he added, the company's total capacity will increase from 280,000 tons dead weight comprising 111 carriers [figure as published, presumably 11] to 390,000 tons dead weight, comprising 14 carriers. These carriers will operate in a pool with the Norwegian Storli Company, the partner in the pool.

He said the National Chemical Carriers Company's capital last month was increased from 200 million Saudi riyals to 500 million riyals, and that the company owners decided to increase the company's capital to enable it to implement its strategic projects and future plans, foremost of which is this project.

The contract was signed at the headquarters of the National Saudi Maritime Shipping Company, the mother company. The signing was attended by members of the board of directors of the National Chemical Carriers Company. Addressing a press conference, Dr. 'Abd-al-Rahman al-Zamil, deputy minister of trade and chairman of the National Chemical Carriers Company, said: "I have the pleasure to welcome you to this meeting and declare to you the names of the three new carriers. They are: al-Washm, Sudayr, and Jiddah. We have 11 carriers that carry the names of Saudi towns and districts, and we use more than 30 world ports.

"By signing this contract today for the building of carriers, the company becomes the world's second [largest] petrochemical carrier. We have achieved this level of progress and development, thanks to God, with the assistance and support shown by our national company's staff. On this occasion, I would like to thank SABIC for the continuing confidence it has shown by considering our company the national carrier of its products. Some 35 percent of SABIC's products are now being carried by our maritime fleet for petrochemical transportation. In its short life of 18 months, The National Chemical Carriers Company made a profit in 1990. This year, its financial revenues will be part of the National Saudi Maritime Transport Company's successes."

"Acting on instructions from the board of directors and company owners, they [not further specified] bought ships equipped with the latest world technology."

Dr. al-Zamil was followed by the chairman of the board from the company implementing the project. He said that "When the contract was announced in Norway and Britain, the Norwegian prime minister and British Prime

Minister John Major welcomed this step toward developing cooperative relations with the kingdom, and particularly with SABIC, because they believe in the sound market future in the kingdom, especially in the petrochemicals sector. Moreover, 60 percent of the cost of the three carriers will be allocated to the advanced technological equipment that is to be added to the carrier. The carrier will be specialized in transporting a special kind of petrochemical products, and the rest [of the cost] will be for building the three carriers.

It is worth noting that the National Chemical Carriers Company was established in 1990 and began operations in the second half of that year. It earned good profits for its owners. It owns 11 merchant ships serving more than 150 world ports. The company management is supervised by a five-man board of directors, four of whom, including the board chairman, represent the National Saudi Maritime Shipping Company; and the fifth represents SABIC Marketing Company, Limited.

Increasing the National Chemical Carriers Company's capital from 200 million riyals to 500 million riyals is the first strategic project implemented by the National Saudi Maritime Transport Company under its five-year plan, which it approved last year. The cost of the company's strategic projects will reach 3 billion riyals. Foremost among these projects is the building of five oil tankers for shipping oil, its by-products, and gas, as well as expanding the fleet.

SUDAN

Relations Cool With European Community

92AF0374A London AL-SHARQ AL-AWSAT in Arabic
1 Feb 92 p 1

[Article by Uthman Mirghani: "As Its Protests Against Conditions in Sudan Increase, European Community 'Freezes' Relations With Sudan"]

[Text] London—Informed diplomatic sources have revealed to AL-SHARQ AL-AWSAT that EC countries have completely frozen economic aid to Sudan, and some are moving towards freezing diplomatic relations with the Sudanese Government because of "human rights conditions, the regime's rejection of democracy and pluralism, and its harsh internal and external policy." The sources said that majority of EC countries now view the situation in Sudan as "unstable due to internal and external isolation." The sources pointed to the EC countries' having halted all support for Sudan except for humanitarian aid for relief. They added such EC countries as Denmark and Spain have reached the point of closing their embassies in Khartoum. In this regard, the sources noted that EC countries last month assigned the British and Dutch ambassadors in Khartoum to investigate the treatment of Sudanese refugees left destitute by the war and drought conditions, after a Sudanese security force clash with a number of refugees housed on the outskirts of Khartoum led to the death

and injury of more than 100 people. Diplomatic sources reported that human rights has become the basic topic of conversation between EC ambassadors in Khartoum and Sudanese officials. The sources anticipate a deterioration of EC-Sudanese relations in the days ahead. As evidence of this, they pointed out that Britain had expressed its concern numerous times over the situation in Sudan, "the absence of pluralistic democracy there," and had also begun to impose stringent measures on granting visas to Sudanese. French officials have begun speaking of their "distaste and concern" for conditions in Sudan, while the Dutch fail to conceal "their discomfort at Sudan's current policies and conditions."

Justice Minister Defends Shari'ah System

92AF0351A Khartoum AL-INQADH AL-WATANI
in Arabic 3 Jan 92 p 7

[Interview with Sudanese Justice Minister and Public Prosecutor Ahmad Mahmud Hasan, by 'Abdallah Muhammad Ahmad; place and date not given: "One Year After Applying Islamic Shari'ah: God's Law Being Applied Without Any Distortions; Public Prosecutor: 'Laws Conflicting With Shari'ah Provisions To Be Reviewed; Sudan Enjoys Sovereignty of Law; No Human Rights Violations; No Intercession, Intervention in Corruption Cases; No Overturn of Court Punishments; Establishment of 200 New Prosecutor Offices To Apply Shari'ah With Awareness, Understanding'"]

[Text] At the beginning of last year, on the day independence day was celebrated, the leader of the revolution announced the application of shari'ah [Islamic law] in Sudan.

That announcement liberated Sudanese will, achieved comprehensive political independence, and sided with the peoples' desire to choose their cultural direction.

In the office of the public prosecutor, the protector of laws in Sudan, we reviewed the record of judicial accomplishments and legal reform in this interview with Maj. Gen. (Ret.) Ahmad Mahmud Hasan, public prosecutor and justice minister, to learn the extent to which Islamic shari'ah is being applied and other legal and judicial accomplishments.

Saving Shari'ah

[AL-INQADH AL-WATANI] Sudan is celebrating the independence holiday and the passage of a year since the declaration of Islamic shari'ah, with all that portends in terms of cultural independence and emancipation from colonialist laws. We would like to know the areas and the steps to preserve shari'ah in society.

[HASAN] The government of the revolution issued the laws needed to apply shari'ah. Its application is now moving on a sound course. The courts are applying criminal law properly, and those in charge of the matter are fully aware that shari'ah is not just prescribed punishments, but every aspect of life, as stated in the

criminal code. The present method of application benefitted from the negative aspects that accompanied application of the 1983 Law. The criminal code was not promulgated to satisfy some party, but was the realization of God's word and implementation of his path. Those who spread rumors that shari'ah is not being applied in the criminal courts wish it ill. They want its application distorted to give them the opportunity to disparage shari'ah. The justice agencies, especially the Ministry of Justice and the police, must let the public feel their humanity, because the criminal code accords people a special character and forbids that it be violated. Shari'ah is in the heart and bosom of every Muslim. It is not the exclusive property of any body or group. Every member of society can cite the Koran and prophetic tradition [hadith] against anything that violates the shari'ah. The judge is free in his decisions; no one censors him. There are no restrictions, no guidance, and no interference in the work of the judiciary.

Legislative Revolution

[AL-INQADH AL-WATANI] Mr. Minister, the legislative revolution needs additional sessions to review all the laws contradicting the provisions of shari'ah. What steps is the Public Prosecutor's Office taking to complete the revision of laws and the legislative revolution?

[HASAN] We are now implementing the revolution's strategy to Islamize life legislatively. We have formed a committee, in cooperation with the finance minister, to review all financial laws that we believe are the most influenced by colonialism. Working on this committee are legal, economic, and financial experts, who we expect will complete their work in mid-1992. At that point, we will have completed our mandate on this aspect of financial laws.

Consultation, Decision-Making

Since the shari'ah is a consultative method, we now have before us a bill for a political system law essentially based on following consultation in the political process and in political decision-making. The draft bill obligates the government to follow this method.

Because the application of shari'ah requires information media grounded in an understanding of the shari'ah, we signed nine certificates for bills related to establishing information agencies. These were approved by the esteemed Council of Ministers as it is restructuring the Ministry of Culture and Information. We sent all the drafts for these laws to the chairman of the Revolutionary Command Council for approval. They have recently submitted a draft bill for controlling insurance companies so that insurance in Sudan does not veer from Islamic principle. The esteemed Council of Ministers has approved the first stage of the bill, and we expect that it will be promulgated following early approval by the Revolutionary Command Council. The banking law was also approved. There had been no banking law in Sudan

other than the Bank of Sudan law. This law put banking activity in order, allowing the application of shari'ah in all financial areas.

Spreading Justice

[AL-INQADH AL-WATANI] Mr. Minister, with Sudan under the federal system, what are your office's plans to improve legal action and deliver justice to all parts of the country?

[HASAN] Having soundly applied shari'ah with awareness and understanding, we are now establishing 200 new public prosecutor's offices in every part of Sudan, where trained university graduates will work. We rely on these prosecutor's offices to perform with distinction so that the shari'ah becomes the appearance, the content, and the method of behavior in Islamic life.

Legal Counselors in Institutions

We are working to have a legal counselor in every ministry, governmental or quasi-governmental institution, or government bank, to assist those managing these institutions so that public funds will not be wasted. They will be of assistance to the controller general, who guards public funds, as well as judicial institutions. In order to conclude public funds cases without hindrances, we have asked the chief of the judiciary to allow itinerant legal auditors throughout Sudan to make sworn depositions before the judge prior to leaving the posts they are auditing where any violations against public funds exist, so that the absence of a legal auditor as witness will not cause a delay in trying criminal cases against lawbreakers in the public funds area.

Committees To Revise Procedural Code

[AL-INQADH AL-WATANI] What steps are being taken to review the criminal procedures law and the evidence law?

[HASAN] With respect to the law of civil transactions and civil procedure, we have revisions committees at work to clarify rights and obligations, so that rapid procedures will help bring about justice.

As for the evidence law, we are currently reviewing it to harmonize it with the general trend, the criminal procedure law, and other laws.

The primary feature of the approved criminal procedure law is that it obliges prosecutor's offices to oversee the stage of evidence gathering, questioning, and investigation. It is clear to the deputy prosecutors that they must directly supervise criminal cases in the questioning and investigation stage, in coordination and cooperation with judicial authorities and the criminal police.

Antiquated Companies Law

[AL-INQADH AL-WATANI] Mr. Minister, the 1925 companies law is out-of-date, an antiquated law no

longer in keeping with the renaissance and comprehensive change in various aspects of economic life. What efforts has your office made to replace this law with one that would conform to the path and strategy of the revolution?

[HASAN] The present form of the companies law falls short of the path of the revolution and our ambitions. A committee was formed long ago to review the law, but we are serious about revising it to conform with the revolution's path and strategy. Strangely enough in this regard, the English law from which the Sudanese companies law was drawn has been redrafted several times, as well as amended, but no effort to amend the Sudanese law has yet been made. The revolution is aware of major differences in operation under this law. Lt. Gen. 'Umar [al-Bashir], the leader of the revolution, has directed that urgent work be undertaken to draft a new companies law. We must make Islam the foundation and focus of the new law.

I Complain of Too Much Intercession

[AL-INQADH AL-WATANI] Can we say that the country now enjoys the sovereignty of law, that people are equal before the law with no intercession or favoritism, and that your office does not intervene to abort justice?

[HASAN] Personally, I complain to God and to the Sudanese people about the multitude of intercessors in criminal and civil cases, despite the notices and posters stuck everywhere in public prosecutor's offices frankly stating that intercession is an abortion of justice. Many Sudanese people instinctively believe that being related to, knowing, or having a friendship with any state official is enough to intercede on behalf of criminals and law-breakers. We are aware that it is difficult to remove these instinctive traits from our Sudanese people, because they do so spontaneously and with every good intention. In the salvation era, we do not believe that the office of the public prosecutor has contributed to the abortion of justice, whether through intercession to close out public funds cases, major cases, or cases of corruption; or by invalidating penalties after they have been signed by the courts, since this is a line that runs parallel with the line of the national salvation revolution and contrary to its belief in the need to hold accountable anyone who commits a crime or violates the rights of society [as published]. The country now enjoys the sovereignty of law, particularly since we have raised the slogan "The public prosecutor is the nation's agent. He has no right to surrender any right of society, no matter how small it may be." Society will have no mercy on anyone who surrenders one of its rights for personal interests or selfish whims from which society derives no benefit.

Completing Dozens of Laws

[AL-INQADH AL-WATANI] Mr. Minister, are you satisfied with what is being accomplished in the area of various laws to establish fundamentalism?

[HASAN] We in the Ministry of Justice believe that we have carried out a great many of the duties placed on our office through drafting and legislation since the beginning of the revolution, starting with the constitutional provisions and continuing through the Criminal Law of 1991, the Personal Status Law, the Banking Law, the Insurance Company Control Law, and many other laws. For example, there are laws for the shari'ah support fund, social responsibility, and the Agricultural Council, the law for the pension fund, higher education, and dozens of laws that prepare society to march on the path of the revolution and restore fundamentalism to life in Sudan.

Human Rights Maintained

[AL-INQADH AL-WATANI] Mr. Minister, there is an ongoing campaign against Sudan by the Western media, and agencies and organizations concerned with human rights around the world, regarding human rights violations in Sudan. To what extent are human rights maintained and guaranteed in the country?

[HASAN] We have adopted the shari'ah as our path for human rights. We are not allowed to harm any of a person's basic rights, which are: the right to life, the right to practice religious ceremonies, the right to personal freedom, the right to move about and to own property, the right of every accusee to a defender or an attorney, and the right to appeal in any case before the courts and to file suit, because God, most high, stated in his holy book that he dignified mankind. We can only deal in dignity with mankind so dignified by God, most high. Another reason is that one of the rightly-guided Muslim caliphs, 'Umar Bin-al-Khattab, made the following famous remark: "O once-enslaved people, whose mothers had given birth to them as free men." A fundamental principle of Islam is that all citizens know their rights and are aware of their obligations to society. As a result, laws in Islam are the property of all and known by everyone. Hence we say, and we insist, that there is no path clearer than that of Islam in providing for human rights. Those who are dedicated, as is the case in Sudan, do not have it in their power to breach any human right, since this would be a departure from the path and violate the assertion that we operate under the provisions of shari'ah.

Eliminating Investigating Committees

[AL-INQADH AL-WATANI] Mr. Minister, all of the investigating committees have been eliminated and replaced by prosecutors. Why was this done?

[HASAN] [two lines illegible] related to any violations in any agency. By establishing new prosecutor's offices, investigation will be done by them. I am personally convinced that the committees delay work much of the time.

Establishing Training Institute

[AL-INQADH AL-WATANI] Mr. Public Prosecutor, could we know your office's plans for training and educating those working in the legal field?

[HASAN] The training plan is divided into two parts: The first is physical and spiritual training to qualify those working in the field of law to bear their great responsibilities for achieving justice in all parts of Sudan—deserts, wastelands, jungles, and plains. Another type of training familiarizes novices in the field with the experiences of their predecessors in this work. Hence, with respect to the first part, we have established clear training programs with the Peoples' Defense Forces, where trainees are prepared for their profession physically and spiritually. We have also established two professional training programs: an urgent plan conducted through presenting lectures prepared by senior counselors, judges, lawyers, and policemen to the trainees in all legal fields; and a longer-term plan, which is now a concept on paper, whereby we intend to establish a training institute for all legal specialists before they become involved in the profession. To accomplish this, we will consult with officials in the judiciary, the Lawyers' Federation, and the Ministry of Finance, so that we will be able to prepare the proper place and the proper cadres for training.

We Did Not Set Aside Pepsi Cola Case

[AL-INQADH AL-WATANI] Mr. Minister, there has been an accusation that the Public Prosecutor's Office set aside the Pepsi Cola case in [Wad] Madani because of the involvement of senior officials. How do you respond to this accusation?

[HASAN] This is nonsense and sheer fabrication. We have absolutely no doubts about the integrity of the courts, at the head of which is the Supreme Court. We would like to clarify that the law permits the Supreme Court and its head to inspect any criminal proceedings at any point in the legal process. We are confident that those in charge of the judiciary in Sudan are up to the level of responsibility placed upon them. Any assertion raising doubts about the integrity of the judiciary is rejected. Adversaries always view court decisions from the profit and loss perspective, since, when the decision is in favor of one party, the other party is harmed, and he feels unjustly treated. We wish to repeat here that we have not set aside any criminal procedures in the Criminal Department of the Public Prosecutor's Office in the Pepsi Cola case, or in any other case. All we know is that there is a civil case in which one of the parties appealed the steps taken by the General Investment Authority, which operates under the investment law, giving it the powers to promote investment in Sudan without delay or lengthy procedures.

Islamic Values in Foreign Relations

92AF0313A Khartoum AL-SUDAN AL-HADITH
in Arabic 25 Nov 91 p 3

[Editorial by Nur-al-Din Madani: "Glance at Present, Future of Sudanese Foreign Relations; Sound Internal Structure is Basis for Dynamism Abroad; Sudanese Diplomacy Protects Sudanese Interests in Their Interaction With Others"]

[Text] Dr. Hasan 'Abdallah al-Turabi is a figure not to be dismissed in the Islamic movement. For this reason, whenever possible, I attempt to keep up with his publications, books, and lectures. In doing that, I find myself, in Mr. al-Sadiq al-Mahdi's words, "closer to him intellectually, but farther away from him politically."

I do not want to deny or prove the lofty political position here of 'Ali Nahaj—this is an honor that I do not claim—but I meant to remind those who like to classify and color [things] that a political dispute, according to our predecessors, "is no hindrance to amity." Amity here does not mean personal amity, but the social peace which we continue to dream of, in an acceptable context, for the people of Sudan, without victor or vanquished, or any degree of hegemony and authoritarianism.

I was impressed by Dr. al-Turabi's new thesis on the ideal course for for present and future Sudanese foreign relations [presented at] the Foreign Relations Symposium at the Conference on Comprehensive Strategy. He criticizes professional diplomacy in his attempt to formulate a revolutionary diplomacy that envisages opening the borders to immigration, leaving Sudanese citizens abroad where they are, having Sudan lead "the international liberation and justice movement," confirming a liberation policy that strives for participating in the liberation from international arrogance, and being in the forefront of the world of religion—in particular—to confront secularism, which is politically victorious in the family of nations.

I apologize for the summary, which I hope has not distorted the gist of the thesis that Dr. al-Turabi presented as he took up his foreign policy plan and his attempt to formulate a project for the future through what he termed "personal reflections." This may be considered as his reading of the present, projected 10 years hence, which, as the reader knows, are the years of the National Comprehensive Strategy. By citing these pivotal points, which were expressed in the course of his general presentation, I intended to clarify my modest point of view on this political debate, which has left the sphere of the Sudanese state for the sphere of the Islamic movement, whose policies Dr. al-Turabi is preaching.

I would like to explain that he was speaking as a former foreign minister, and not as an advocate. The topic of the symposium was Sudanese foreign policy, and not a program for the Islamic call [al-da'wah]. He, however,

confused Sudanese foreign policy with the policy of the Islamic movement, which is national, or rather, cosmic and universal.

He should have limited his talk to Sudanese foreign policy and what shape it should take in light of Sudanese reality, goals, and interests, so as to achieve our national interests, which are linked to mutual interests with others around us, especially brothers and friends in the African, Arab, and Islamic spheres. These spheres interlock, subdivide, and expand to include the world, with all its countries and peoples, in all their positions, tendencies, and political and ideological opinions.

Sudan, as it is now, with its geographical borders, its distinctive identity, many religions, different branches of culture and tribes, represents a single totality on a geographical area with recognized borders and horizons. Its acceptance of others with open heart and outstretched arms does not mean that it should open its doors and windows to immigration without regulations, even if its area is as welcoming as the heart of its people. After all, the ideological experiment on a country-wide basis has not abolished nationalism.

We are witnessing a new explosion of the struggle of nationalities after years of being dissolved in entities based on political ideology.

The question of abolishing borders is under discussion politically as part of the theories of nationalities and countries, but it clashes with geographic and human reality, which cannot be overlooked, crossed out, or dissolved by mere enthusiasm. Material conditions, sustaining factors, and the necessary climate have to be present to achieve any step on the road to unity, integration, or even brotherhood.

The danger of the thesis that Dr. al-Turabi presented lies in his disregard of these factors, especially Sudan's reality and interests. He sallies forth ideologically towards a virtuous world that is ruled by wealth, peace, justice, and love, but he is sallying from the flames of war, disputes, and economic difficulties.

Sudan is still suffering from the calamities of the civil war, in spite of all the motives and promises of peace. It is still suffering from economic calamities, in spite of all its capabilities, which are overflowing with abundant wealth.

Hence, any talk of a greater Sudan is no more than a kind of political dream that is, moreover, incapable of being realized because a building, any building, does not rise on good intentions, no matter how genuine, and no matter what capabilities are allocated to it. It needs a sturdy foundation to support it. In the building of societies, the mainstay for a sturdy foundation are factors of unity and internal stability. It is the necessary foundation for any social structure. That is why I find myself on the side of professional diplomacy that takes everything into account and realizes that a sound internal structure is the basis for any dynamism abroad.

If Dr. al-Turabi is speaking in the framework of his role in the area of popular diplomacy, however, then the field is open before him for proposals such as these, which are not bound by customs and protocols.

Human Rights Abuses Said To Be Increasing

92AF0414A London AFRICA CONFIDENTIAL
in English 24 Jan 92 p 7

[Quotation marks as published]

[Text] As pressure on the Sudan government increases, particularly from Arab governments alarmed by the rise of international Islamism, Khartoum has been increasing its own pressure at home. Special targets are the estimated three million Southerners living in the North, along with the people of the Nuba mountains, in the North-South buffer zone.

There are now an estimated two million displaced Southerners living, mainly in shanty towns, in and around Khartoum—virtually half the capital's population. Their mainly cardboard and sacking huts have been subject to sporadic bulldozing by a series of governments. Now Lieutenant General Umar al-Bashir's government has tried to take advantage of the split in the Sudan People's Liberation Army (SPLA, AC Vol 32 No 18) to step up moves to drive a potentially explosive population away from urban centres. Three people were reported killed on 15 January when police and troops evicted long-resident Southerners and Nubas from Kober, Khartoum North. At least 16 people had already died in the destruction of a camp at Dar es Salaam, Khartoum, on 22 December, provoking a 7 January protest to RCC [Revolutionary Command Council] member Colonel Mohamed el Amin Khalifah by the new British Ambassador and the Dutch Charge d'Affaires, who were speaking for the European Community.

There are signs the government may intend to transport many displaced people to camps in the east which are currently occupied by up to 200,000 Eritrean refugees. Thousands of refugees are now going home voluntarily and the camps are expected to be virtually empty once the United Nations High Commissioner for Refugees and other non-governmental organisations have worked out the logistics of a resettlement programme. Funding delays are partly because Eritrea has no internationally recognised government yet is not under Ethiopian sovereignty. Up to half a million Eritrean refugees may still be in Sudan, plus 30,000 Ethiopians. Most do not come under the aegis of UN or voluntary agencies.

The forced removal to the emptying camps of several hundred thousand Sudanese also poses problems. These include the political wisdom of transporting mainly non-Muslim Southerners to a Muslim area deemed conservative, during a war between an Islamic fundamentalist government and a resolutely secular, and increasingly separatist, SPLA. Donors pushing for facilities for the displaced may find it hard to support such a move.

Southerners see such projects as both political and hostile. Things have come to a head with the Central Security Administration's 13 January order to the Sudan Catholic Bishops' Conference to withdraw a pastoral letter issued last November. In a letter addressed to 'Mr. Catholic Bishops Conference', the Security ordered the Church to hand over all copies of a booklet entitled 'The truth shall make you free', which in moderate but firm language, accuses the government of treating non-Muslims as 'guests in their own country'. The Security order says the pastoral letter 'violates national security and provokes civil strife'. Such a move will not be without consequences, external and internal. As the government has increasingly imposed its version of Islam, the Vatican has been keeping a watchful eye on events. In 1991, Pope John Paul II dispatched Cardinal Roger Etchegaray, President of the Pontifical Council for Justice and Peace, to Khartoum, whence he returned speaking of the 'harassment' of Christians.

With the imprisonment of dissidents and the banning of the (predominantly Muslim) organisations that traditionally defend human rights, such as the Bar Association and the Doctors' Union, the churches have found themselves in the unusually conspicuous position of carrying the human rights flag virtually alone. Church workers have been treading a careful and even thinner tightrope amidst continuing official accusations of anti-Muslim/pro-SPLA activity and rising harassment by security police.

Muslims are also harassed. In the religiously mixed Nuba mountains, the arrest, torture and murder of Nubas has recently increased, regardless of creed. Educated people have been especial targets for killing by government forces. There are continual reports of atrocities against civilians, by government forces, local militias and also the SPLA, all fighting for control of the area.

Human rights are now on the political agenda. In its August challenge to Colonel John Garang, the 'Nasir group' made human rights a prime demand and condemned SPLA abuses. Garang's 'Torit group' responded by accusing the Nasir group, whose leaders are Rick Machar and Lam Akol, of detaining and sometimes executing nearly 100 named SPLA officers. In a 21 January statement, it also accuses the Nasir group of massacring 5,000 civilians in November fighting near Kongor and Bor. The Nasir group denies atrocities. Figures are impossible to verify. Hundreds of mainly Dinka villagers died. Most attackers seem to have been Nuer supporters of the Nasir group taking advantage of the SPLA split to revive old tribal animosities. The SPLA split has increased ethnic fragmentation throughout the South.

Meanwhile, the Sudan Human Rights Group, created by the government to replace the Sudan Human Rights Organisation (SHRO) which it banned in 1989, met in Khartoum on 18 January. Speakers included Hassan el Turabi, head of the ruling National Islamic Front. The meeting heard that the Group was investigating two

complaints of wrongful arrest. On the same day, the SHRO was relaunched at a London meeting. With two ex-government ministers on the platform, participants heard ex-detainees tell of ill-treatment, including a lawyer who had a leg amputated as a result of torture. The day marked the seventh anniversary of the death of Mahmoud Mohamed Taha, leader of the Republican Brothers, which advocates a liberal interpretation of Islam. He was hanged for apostasy by then President Jaafar Nimeiri, to whom Turabi was a religious advisor.

Arab governments are watching events closely. The Islamist success in Algeria has given new impetus to governments, led by Egypt and Tunisia, determined to stop the spread of Islamism from its base in Khartoum (AC Vol 32 No. 14). Cairo increased support for the Sudanese opposition and its attacks on Khartoum. On 4 January, the United Arab Emirates [UAE] expelled nearly all Sudan embassy staff after Khartoum in a tit-for-tat move. Abu Dhabi accuses Sudan of harassing the many Sudanese resident in the UAE. A few days later, Saudi Arabia took the unprecedented step of saying that its aid to Muslim republics of the former Soviet Union was expressly aimed at preventing the rise of Muslim fundamentalism. This trend is now expected to gather pace.

Activists Petition Release of Physician

92AF0374C London AL-HAYAH in Arabic 18 Jan 92
p 4

[Unsigned article: "Humanitarian Campaign To Convince Khartoum To Free Doctor Jailed Without Trial; British Colleagues Send 13 Telegrams to al-Bashir"]

[Text] Dr. Ahmad al-Tayyib Farah, a Sudanese human rights campaigner, has expressed the concern of human rights organizations and fellows of the British Royal College of Psychiatrists over the fate of a Sudanese doctor jailed by authorities in Khartoum for 15 months, despite his poor health, and failure to provide the medical care he requires.

Farah, a specialist in psychiatric medicine in London coordinating the humanitarian campaign seeking to pressure the Sudanese Government to release Dr. Ahmad Uthman Sarraj (age 47), told AL-HAYAH that the Royal College of Psychiatrists in London, representing nearly 7,000 doctors, sent 13 telegrams last year to Sudanese President Lt. Gen. 'Umar al-Bashir and Vice President Maj. Gen. (Staff) al-Zubayr Muhammad Salih, but Khartoum paid no attention to these appeals. He pointed out that Dr. Sarraj is considered the last lecturer in psychiatric science left in Sudan, following the brain drain in this field. He reported that he was not known to have any interest in politics, yet he has been jailed for 15 months without trial. When a number of active and retired officers were tried recently on charges of organizing a military coup last 20 August, Dr. Sarraj was called in and informed that the authorities had sentenced him to 15 years in prison. Farah pointed out

that Dr. Sarraj suffers from a slipped disc and severe depression. The authorities sent him away from the Armed Forces Hospital in the Sudanese capital after seven senior officers were able to escape from the country, and he was returned to the Kobar prison in North Khartoum. After being notified of his sentence, he was transferred to the Shala prison in western Sudan.

Dr. Farah says it is likely that old political disagreements between Sarraj and the Islamists supporting the Sudanese regime are behind Sarraj's detention. He pointed out that the latter had conducted a severe attack on the September 1983 laws drawn from the shari'ah [Islamic law], which were imposed during the rule of former Sudanese president Ja'far Numayri. Farah said that a copy of the complaint document was sent to the British Embassy in Khartoum and to professor Salih Yasin, dean of the Faculty of Medicine at Khartoum University.

It is not known whether Sudanese authorities allow Sarraj to read the telegrams and letters sent to him by British psychiatrists to raise his morale and to prevent the worsening of his depression.

Trade in Phony Visas Discovered

92AF0374B London AL-SHARQ AL-AWSAT in Arabic
3 Feb 92 p 2

[Article by Sayyid Ahmad Khalifah: "Thirteen Sudanese Detained, Charged With Forging Passports; Khartoum Cracks Down on Visa Granting, Accuses Expatriates of Cooperating With Opposition"]

[Text] Jiddah—Official Sudanese sources have said that its embassies in certain countries have observed instances of renewing Sudanese passports outside the formal framework followed for such operations. A Sudanese group, assisted by Somalis, launched operations to renew a large number of passports for Sudanese with problems preventing them from contacting their country's embassies, in Egypt and the Arabian Gulf countries in particular, or those who failed to renew their passports because they could not pay stipulated government fees. These fees were: the compulsory transfer, nullified 1 January; and the compulsory national participation [fee], which was also canceled last month.

These investigations revealed that unofficial renewal operations also included some Sudanese facing political problems because of their opposition to the regime of Lt. Gen. al-Bashir. Sudanese embassies are refusing to renew their passports or put any official transactions on them. Indeed, they are confiscating passports, leaving their owners without them. This has caused some to resort to illegal methods of renewal or to try to obtain passports from other countries, because the residency and work permit system in Gulf Cooperation Council [GCC] countries forbids residency renewal until after the passport has been renewed, a procedure followed by most countries of the world.

Sudanese sources said that they had been following what they considered to be forgery operations accompanying passport renewals all last year, and they are now filing reports against those who information indicates were participating in this activity in a number of Gulf countries. Thirteen Sudanese and one Somali were detained following a Sudanese report. They are now being investigated by local authorities in one of the GCC countries.

The 13 detainees are: 'Abd-al-Aziz Ibrahim 'Ali, Hashim Sirr al-Khatim, Ibrahim Muhammad al-Hasan, Muhammad 'Abd-al-Hafiz, al-Hadi Taj al-Sirr, al-'Aqib Ahmad Sulayman, 'Izz-al-Din Muhammad Sulayman, al-Hajj 'Abd-al-Rahman, 'Imad-al-Din Muhammad Sulayman, 'Adil Muhsin al-Bashir, 'Abd-al-'Azim 'Abd-al-Rahman 'Umar, 'Abd-al-Ra'uf Jabir al-Badawi, and Somali national Karam al-Shaykh. Inquiries revealed that the detainees said during the investigation that what they had done was a patriotic act demanded by political necessity, not criminal activity. High-level Sudanese authorities are believed to be making rigid demands that these nationals be extradited and tried in Sudan on charges of grand treason, punishable by execution. The Sudanese Government equates them with the national opposition, in addition to their having dealt with Sudanese facing problems of taxes and obligations demanded of them by the Sudanese embassies.

On another front, Sudanese authorities have recently cracked down on granting exit visas to Sudanese, regardless of their reasons for leaving, primarily citing the economy. Sudanese officials are clearly concerned about wide-scale emigration, under various pretexts and excuses, of those who will not return to the country. They are afraid of external operations to attract them into the opposition, particularly since most emigration applicants are victims of the employment discrimination decrees, under which tens of thousands of Sudanese were laid off. They include large numbers of those who had worked in the regular army and police force, and graduates who have been unable to find work in recent years.

Sudanese authorities last year uncovered wide-scale escape operations taking place through the northern desert on the Egyptian-Sudanese border. Transport vehicles and automobiles were used in these difficult evacuation operations until a recent decree banned their entry into Sudan, because they are technically outfitted for desert operation. The cost of escape using this means had risen to more than 20,000 Sudanese pounds, but surveillance operations, including military aircraft belonging to the Northern Province, have reduced this phenomenon. Subsequently, people have taken to traveling for religious, health, study, or commercial reasons. Departure permits have been banned for the time being. They are only being given within narrow limits, to specific segments [of the population] under strict guidelines.

Telecommunications Privatization Addressed*92AF0374D London AL-SHARQ AL-AWSAT in Arabic
2 Feb 92 p 10*

[Article by Ahmad 'Umar Mas'ud: "Telecommunications Organization Put Up for Sale in Sudan"]

[Text] Khartoum—The Sudanese Government has announced that it is putting the Telecommunications Organization up for sale after it has lost money for years.

The losses and low level of telecommunications services in Sudan are attributed to the lack of proper state financing, due to scarce domestic and foreign resources.

Government sources say the telephone network is totally reliant on electrical switching devices that vary from country to country in terms of manufacture and capacity, and that they have exceeded their hypothetical operational life.

Engineer 'Awwad al-Karim Wadi'ah, general manager of the General Organization for Telecommunications, adds that the telephone switching devices in Khartoum are divided into three types, based on origin:

- British: These are the oldest in terms of date of operation, having exceeded their hypothetical operational life twice over. Indeed, the factories that produced them closed long ago, with the result that spare parts have disappeared completely.
- Dutch: Switching devices still operating and in reasonably good condition. Although their hypothetical operational life is about to end, they still operate satisfactorily. There have been 3,000 new lines added, raising their capacity to 15,000 lines.
- Japanese: These are all traditional analog switching devices that have been surpassed by modern digital technology.

TUNISIA**Development Plan Faces Unemployment Challenge***92AF0355A Tunis LE RENOUVEAU in French
1 Jan 92 pp 13-15*

[Article by Houcine Ben Achour and Hassine Bouazra: "Employment: The Decade of Hope"]

[Text] There are reportedly 316,000 unemployed persons in Tunisia, which comes to 15.6 percent of the active population.

The country has not escaped the wave of unemployment that is sweeping the planet. How could it have?

It is hard to ignore the unemployment statistics revealed by the INS's [expansion not given] study of households. A large portion of the population suffers from not participating in the country's economic development, despite its potential to do so.

It would be surprising if everyone in the country did not have one person in his or her family (brother, sister, father, cousins, uncles) looking for a job. It is a terrifying thought. But have we gauged the problem well enough to realize what is at stake for the future of the nation? If the country were to reach a political consensus on just one thing, it would surely be unemployment. For when all is said and done, Tunisia needs all her children to successfully develop and achieve well-being.

Reversing the Trend

In any event, the thoughts and recommendations of those who participated in the national consultation meetings on the Eighth Plan offer the best blueprint for feasible solutions.

Tunisia is a country of young people, young people who are in constant motion but who paid little heed to their real human potential. Today it is essential that we mobilize to halt the gangrene that is spreading within our social body.

And although it looks as if 1992 will be the year of commerce and the consumer, any haggling about unemployment would be tragic.

One thing is sure, however: Joblessness would have been more widespread had it not been for the structural adjustment plan. We controlled the damage. Now we are rounding the final turn, and policymakers are still seeking and implementing measures to promote employment. More than a wish, I have an expectation for the Eighth Plan: I expect it to be the Five-Year Plan that reverses an undesirable trend. And when people believe, they can.

Employment will be a major issue during the Eighth Plan, and not purely from a social standpoint. Policymakers have adopted a primarily economic viewpoint. This is because, given Tunisia's limited resources, it can count only on its people.

However, for several years now, job creation in Tunisia has leveled off, doing nothing to improve an already worrisome situation.

In 1986, Tunisia created 30,000 jobs; in 1987, 35,000; and in 1991, 37,000. There is no question that exogenous factors had an effect on the pace of job creation. There were drought and the locust invasion in 1987 and 1988, and the Gulf war in 1991.

Helped along by a normal economic situation, 1990 was the best year, with 46,000 jobs created.

Confronted with a steadily growing demand for jobs, the outcome is abundantly clear: 316,000 people of working age were unemployed in 1991, or 15.3 percent of the active population. This compares to 13.1 percent in 1984, when the last general population census was conducted.

The fact is especially painful in that a large fraction of young people seem to be affected by unemployment programs, if not by unemployment (see related articles). Moreover, young people are a group whose educational level is steadily rising.

This finding was the basis for the reflections, discussions, and document on future employment trends that was drafted by the participants in the different consultations.

The situation is obvious: Over the next decade some 645,000 new jobseekers will pour into the Tunisian labor market. In other words, an annual average of 65,000 people.

In response, reckons the Eighth Plan preliminary document, there will have to be sustained growth in the pace of job creation.

Already, the rough plan for growth in 1992 is based on the creation of 51,000 positions. This sets the tone for the plan of action—as take-charge [a plan] as anyone could ask for—that the government intends to pursue.

The level will keep mounting until it reaches the figure of 75,000 jobs in 1996, or a ratio of 114 percent of the demand.

The overall goal is to fully absorb the additional demand and then scale back unemployment. The question is whether this is a realistic, or even a feasible, wish. Projections tend to confirm that it is possible.

Indeed, the fishing industry could boost job offers by stepping up production and maintenance of equipment.

The manufacturing sector can double its job-creating capacities if it grows annually at a rate of 9.2 percent at constant prices. This is an achievable goal, since it was achieved once before.

As for the service sector, it would help generate 175,000 jobs during the Eighth Plan if industrial growth occurred.

There are undoubtedly several reasons for thinking this an ambitious goal. A 7-percent growth in the economy is no mean feat. And any turnaround in the economic climate could be fatal.

Nonetheless, we seemed headed toward a solution to the employment problem, despite its scope and nature. Three approaches are being developed to correct it.

The first approach is to better match labor supply and labor demand. It involves long- and medium-term assessment of the nature of demand based on two fundamental factors: controlling demographic growth, and adopting a judicious educational and training policy that is in tune with the real needs of the economy.

In more concrete terms, it would entail a dynamic system for integrating young people into the working world. This would be achieved by having companies participate actively in designing training programs.

The second approach is to improve the working environment inside companies through better communication on the issues of worker rights and modern labor legislation. The legislation would ally performance expectations and worker solidarity. Better management-worker relations, clarified through legislation, would improve the working environment and working conditions.

Finally, the third approach would involve the various measures, such as the SIVPs [expansion not given], that the government has enacted. SIVP programs are going to be evaluated beginning in 1992, to make them more effective by revising their ultimate goals.

In any event, policymakers are implementing every conceivable program to solve a national problem. The dignity of Tunisians depends on it.

Employment Forecasts		
	Seventh Plan	Eighth Plan
	(1987-1991)	(1992-1996)
Fishing	6,500	10,000
Manufacturing Industries	65,000	120,000
-Agriculture and food	6,900	13,200
-Construction	6,800	10,900
-Mechanical and electrical equipment	10,750	13,700
-Textiles, leather, and shoes	26,600	58,900
-Chemicals	2,150	5,100
-Other industries	11,800	18,200
Nonmanufacturing Industries	250	15,000
-Mines	-3,300	-2,500
-Energy	1,050	2,500
-B.T.P.*	2,500	15,000
-Services	132,250	175,000
-Commerce	23,000	40,000
-Transportation	4,300	7,500
-Tourism	7,500	8,700
-Administration	38,500	50,000
-Other	58,950	68,800
Total	204,000	320,000

* [expansion not given]

Forecasts for Relative Supply and Demand

	1992	1993	1994	1995	1996	Eighth Plan
Additional demand	59,500	61,300	61,800	64,700	65,700	313,000
Job Offers	51,000	58,000	66,000	70,000	75,000	320,000
Percentage of demand satisfied	84	95	107	108	114	102

Source: I.N.S.

Strengthening Specific Programs

Creating the maximum number of jobs has always been a primary concern of Tunisia's planners.

The ultimate goal of all investment incentives is to combat unemployment.

At the same time, the government is implementing various policies to spur job creation. The imbalance between job supply and job demand is virtually a structural problem in the Tunisian economy. All the recommended policies seek to regulate the market to adapt, however little, the supply to the demand.

The main thrust of such policies is to bolster the job-creating capacity of the Tunisian economy by increasing its growth rate. This year, the expected growth rate of 6.5 percent should generate 51,000 jobs. As a consequence, investments and the productivity of labor and capital should grow.

The results of the economic reforms that have been introduced in Tunisia since 1986 have been encouraging. The reforms have spurred the growth rate, revitalized the job market, and boosted the number of jobs created.

The reform process will accelerate in 1992, which can only have a positive effect on job creation.

All those concerned with the social integration and employment of young people will continue to discuss the problem. The National Council for Occupational Training and Employment will draft proposals and formulate new measures to better meet the needs of companies and jobseekers.

The dialogue between labor and management should bear some fruit and consequently improve the conditions for job creation.

Unfilled Jobs

Government agencies will be looking into another aspect of the problem: how to reform occupational training to improve both the quality and quantity of opportunities offered. Tunisia must increase its educational resources to meet new demands.

Education and training play a decisive role in upgrading the skills of the labor force. Several job offers (sic) are still unfilled for lack of skilled personnel. The industries most affected by the shortage are "construction and public works", textile, and maintenance. That is why

occupational schools must be revamped to respond swiftly to market needs. Six million dinars have been allocated to found or expand occupational training centers in textiles, refrigeration, electronics, construction, and leatherworking.

The government plans to shore up special job programs to facilitate the integration of young people into the work world. Last year FIAP [Job Initiation and Adaptation Program] extended its services to the whole territory of Tunisia.

As a consequence, the Office of Occupational Training and Employment signed several agreements with companies working in agriculture, tourism, and textiles to train 1,000 young people over a seven to nine month period. The companies will then recruit the trainees.

FIAP was evaluated for the first time in 1991. The organization must make a greater effort to publicize the opportunities it offers among companies and young people. Broadcasters have already begun to run a television spot that does just that.

FIAP and Its New Start

Training programs and the length of time they last must be made uniform by speciality and region. The growing need for qualified trainers must be met.

FIAP will get off to a new start when it enters its second phase in 1992. It will have a budget of 3 million dinars, which will be matched by equivalent state budget funds. This will enable FIAP to train and launch nearly 10,000 young people.

The other programs—SIVP I and SIVP II, and job and training contracts (CEF) for young graduates of occupational, secondary or university-level schools—will be modified in 1992 to make them more productive. Planners are assessing the programs to decide what measures are necessary. Young people have given high marks to these first-time job internships. The recruitment rate for university graduates (SIVP I) has climbed to 80 percent. The program for young graduates of occupational and secondary schools has not been as successful as expected. This is largely due to the meager subsidy the young people receive, compared to the compensation offered by job and training contracts.

The development sites to preserve the Tunisian forest, the CEF's work, and the programs to maintain public buildings play a major role in bolstering employment in

rural areas. The government will consolidate the development sites and initiate integrated urban development programs (PDUI) in 1992. The PDUI will target high-priority towns where the index of poverty has become worrisome. The work will involve maintaining public buildings, constructing sidewalks and sewer lines, and so forth. Areas for skilled craftsmen will be designated and young people will be trained and assisted in starting their own businesses.

Unemployment: Facts and Figures

The statistics on unemployment that can be culled from the national study on population and employment are revealing. And there is legitimate reason for worry.

Now that the era of international economic growth is over and emigration is now longer a solution to unemployment, the problem of joblessness is naturally beginning more acute. This is true in Tunisia, and in all developing countries.

"The number of jobless between 18 and 59 years of age was estimated at 316,600 in 1989." The northwest and southwest regions are the hardest hit, while the central east and southeast are doing better. It is as if a line were drawn through the country vertically.

Moreover, the age distribution of the jobless corresponds roughly to the general age distribution of the population.

Young people under 30 make up nearly 70 percent of the unemployed, or 210,000 people (see Table I).

The jobless rate plunges above that age, and drops more sharply for men than for women.

Another aspect of the study—the educational level of those unemployed—is just as interesting. Thirty-one percent of the jobless have secondary or post-secondary diplomas. The trend has become more pronounced since

the last 1984 census, which showed an unemployment rate of 20 percent for that group (see Table II).

In other words, the report notes, "during the 1975-1989 period, the relative decline in the number of uneducated jobseekers (22 percent in 1989 compared to 41.5 percent in 1975) was offset by an increase in the unemployed group composed solely of high school or college graduates (31 percent in 1989 compared to 10.7 percent in 1975)."

This will undoubtedly revive discussion of how to interpret such a development.

Is it, as some think, the result of the relative failure of our system of education and training? Or is it, as others suggest, due to young people's inability to rid themselves of their occasional lack of confidence in their own maturity?

Perhaps it is both at once. Time will tell.

In any event, it is hard to remain indifferent to unemployment when the issue of its length is raised. Concludes the study (see Tables III and IV): "It is chronic unemployment that is prevalent, since about one job-seeker in two has been unemployed for over two years."

That is what really stings. For it suggests that the longer Tunisians remain unemployed, the slimmer their chances of rejoining the work world, and the more their hopes fade.

Is there at least a glimmer of light in this bleak picture? It is the historical responsibility of us all to find one. We will do this most easily not by stressing solidarity, but by pooling the talents of the country's productive citizens, each working in his or her own domain.

The procedure that was used to draft the Eighth Plan catalyzed such an approach. Shouldn't we maintain and pursue it?

Table I

The Jobless by Age and Gender

Active Population Age Group	Jobless			Proportional Distribution		
	Men	Women	Both	Men	Women	Both
Ages						
18-19	29,900	13,900	43,800	13.2	15.4	13.9
20-24	76,000	33,400	109,400	33.5	37.1	34.6
25-29	48,200	19,700	67,900	21.3	21.9	21.4
30-34	25,100	9,600	34,700	11.1	10.7	10.9
35-39	15,000	5,600	20,600	6.6	6.2	6.5
40-44	8,400	2,800	11,200	3.7	3.2	3.5
45-49	8,100	2,200	10,300	3.6	2.4	3.3
50-54	8,900	1,700	10,600	3.9	1.9	3.4
55-59	7,000	1,100	8,100	3.1	1.2	2.5
Total	226,600	90,000	316,600	100.0	100.0	100.0

Table II

Educational Level of Unemployed Persons			
	1975 (%)	1984 (%)	1989 (%)
Illiterate	41.5	34.4	22.0
Primary	47.8	45.7	47.0
Secondary	10.5	19.2	29.0
Post-secondary	0.2	0.7	2.0
All	100.0	100.0	100.0

Table III

Jobless by Length of Unemployment						
Length of unemployment	Year					
	1984			1989		
	No. of People	(%)	Cumulative Figure	No. of People	(%)	Cumulative Figure
1 year	85.9	35.0	35.0	90.8	28.7	28.7
1-2 years	62.1	25.3	60.3	41.7	13.2	41.9
2 years & + *	45.5	18.6	78.9	129.5	40.9	82.8
Undeclared	51.7	21.1	100.0*	54.6	17.2	100.0*
Total	245.2	100.0		316.6	100.0	

* [as published]

Table IV

Jobless by Gender and Length of Unemployment						
Length of unemployment	No. of People			Proportional Distribution		
	Men	Women	Total	Men	Women	Total
Less than 1 month	8,500	1,100	9,600	4.4	1.6	3.7
1-3 months	26,000	3,400	29,500	13.6	4.8	11.2
3-6 months	21,700	3,400	25,100	11.3	4.8	9.6
6-9 months	13,200	3,000	16,200	6.9	4.3	6.2
9-12 months	7,800	2,600	10,400	4.1	3.7	4.0
1-2 years	30,000	11,700	41,700	15.7	16.6	15.9
2 years and above	84,400	45,100	129,000	44.0	64.2	49.4
Undeclared	34,900	19,700	54,600	-	-	-
Total	226,500	90,000	316,000	100.0	100.0	100.0

Source: I.N.S.

UNITED ARAB EMIRATES

Government Searches for Economic Role in Nineties

92AE0207A London AL-HAYAH in Arabic 11 Jan 92
p 11

[Article by Shafiq al-Asadi]

[Text] Abu Dhabi—During 1991, the economy of the United Arab Emirates [UAE] and the Gulf economy, in

general, acquired the character of what can be called the "post-Gulf-crisis economy." During 1991, the UAE economy was able to emerge from the straits created by the Gulf crisis and proceed toward the horizons of the nineties by absorbing the rapid political and economic changes occurring in the world and by dealing with them so as to enable the Gulf countries, especially the UAE, to occupy a favorable position on the international economic map and to withstand the strong currents threatening the economies of individual states, regardless of their size and influence. It can be stressed from the outset that the UAE, whose economy is a part of the

economy of the Gulf Cooperation Council [GCC] states, seeks to play a greater economic role in the Arab sphere, based on the new foundations of Arab cooperation that began to emerge after the Gulf crisis. The dimensions of this sphere are formed by the basic outlines contained in the economic part of the Damascus Declaration and the Gulf financing program, which are intended to lower the curtain on the Gulf crisis, which began with the occupation of Kuwait and the extremely negative effects of the crisis on the economies of countries in the region.

In 1991, the UAE's economy shared features with the Gulf economy, which comprises the GCC countries.

Oil Policy

Since the Gulf crisis began on 2 August 1990, the GCC countries have pursued a joint policy to ensure additional oil supplies for the world market, which was subject to a cut-off in oil supplies, estimated at 4.5 million barrels per day [bpd], from Kuwait and Iraq. In late August, the Gulf countries went to OPEC, which had convened an emergency meeting in Vienna. Together with other OPEC members, they obtained a resolution allowing member states with high output capacities to produce at maximum capacity to ensure stability and prevent a new shock to the world oil market.

It was clear that the responsibility for increasing output was to be borne by Saudi Arabia and the UAE, which possess more excess production capacity than the other GCC countries, especially in light of the halt to Kuwaiti production.

The dimensions of this policy became clear to all parties in the international oil market after the policy succeeded in lowering the price of oil from \$40 per barrel in late 1990, to an average of \$17 per barrel for the current basket of OPEC oils.

This policy, which was begun by OPEC with the participation of the Gulf countries, including the UAE's active participation, continued throughout 1991. Saudi Arabia played a prominent role in this policy, increasing its production from about 6.5 million bpd in late 1990 to 8.5 million bpd in 1991, as did the UAE, which increased its oil production in 1991 to 2.4 million bpd.

Results of UAE's Oil Policy

Events following the Gulf crisis, and the oil policy followed by the UAE under GCC and OPEC, have established that: the UAE exercises an influence on the world oil market and the world economy as a whole; it operates within a Gulf, Arab, and international framework; and it sometimes does so at the expense of its own interests.

In this regard, one can indicate that, in addition to generating major positive results that continued throughout 1991, the oil policy pursued by the OPEC countries, including the UAE, also caused a drop in the

UAE's oil revenues from \$16 billion in 1990 to \$14 billion in 1991, according to official estimates and expectations.

However, the Gulf crisis and the oil policy pursued by the region's primary countries have underscored the importance of this region as a strategic crude oil and gas reserve that will provide the region with its energy needs for many decades. Given this situation, the region's countries must develop the exploration, production, and processing facets of their oil industries.

Therefore, the UAE has striven to formulate ambitious plans to develop its crude oil and gas production capabilities and other areas of its oil industries.

According to oil circles, the UAE's Supreme Oil Council has formulated a \$5-billion plan extending to 1995, which aims, among other things, to increase production capacity in the UAE to 3.5 million bpd.

The UAE, especially the Emirate of Abu Dhabi, has begun oil and gas exploration programs; as well as programs to develop the production capacity and increase the average output of refineries, and gas and fertilizer plants.

Financial and Monetary Policy

In 1991, the UAE continued to pursue the financial and monetary policy which it followed during the last five months of 1991 [read 1990], during which considerable pressure came to bear on the economy and on fiscal and monetary conditions in the region, including the UAE.

In 1991, the UAE and the other Gulf countries were able to reap the benefits of the fiscal policy begun in August 1990.

The UAE, in its handling of the fiscal and monetary dimensions of the Gulf crisis in late 1990 and early 1991, emphasized its free economic system. It did not impose any conditions on the transfer of currencies to and from the country, or on conversions of the Emirian dirham into other currencies, including the U.S. dollar. The government and the central bank made efforts to pump new liquidity into the commercial banks by increasing the government's deposits with these banks. The central bank endeavored to supply U.S. dollars to the commercial banks to enable them to meet their clients' needs and to cover the rising demand for foreign currency. The government and the central bank were keen on making the public aware of developments in the financial and currency market. The basic measure tracked by the market in this regard is the commercial banks' aggregate balance, which, due to the crisis, dropped in 1990 by 12 billion dirhams to its lowest level, 118 billion dirhams.

Just as the commercial banks' aggregate balance was an indicator of the degree of pressure exerted by the Gulf crisis on the UAE's financial position, it was also a basic indicator, in 1991, of the emergence of the UAE's

financial position and overall economy from the straits created by the crisis, and the resumption of rapid economic growth.

The UAE Central Bank's latest report on the aggregate balance of commercial banks states that this balance rose during January-June 1991 by 4.6 billion dirhams, or 4.4 percent, to 134.3 billion dirhams in September 1991, compared to 129.7 billion dirhams in December 1990.

This increase correlates with indications of an increase in monetary and near-money deposits with the commercial banks, an increase in their role in economic activity as evidenced by an increase in their provision of credit to the government and the private sector, and an increase in their lending volume.

The central bank confirms that the increase in the commercial banks' claims is concentrated mainly in deposits. During January-September 1991, monetary deposits increased by 1.5 billion dirhams to 7.9 billion dirhams, while near-money deposits increased substantially by 3.1 billion dirhams to 50.4 billion dirhams.

The central bank stated: "The return of confidence and stability in the banking system, and the development of economic activity, contributed to the rise in deposits with the commercial banks."

The central bank added, in its survey of the most important financial and monetary developments in January-September 1991, that the regular accounts of commercial banks during the survey period increased greatly, by 23.5 billion dirhams to 97.2 billion dirhams in September 1991; compared to 73.7 billion dirhams in December 1990. Letters of credit increased by 4.1 billion dirhams to 19.7 billion dirhams, compared to 15.6 billion dirhams in December 1990.

Guarantees also increased by 1.6 billion dirhams to 18.5 billion dirhams, compared to 16.8 billion dirhams in December 1990. Foreign currency purchase and sale contracts increased by 11.1 billion dirhams to 38.2 billion dirhams in September 1991, compared to 27.1 billion dirhams in December 1990.

Sources in the financial sector expect that the results of the final quarter of 1991 will show important developments, including an aggregate balance of nearly 140 billion dirhams, which is unprecedented in the history of these banks.

The Securities Market

Developments in the UAE's "unofficial" securities market provide an additional indication of greater confidence in the UAE economy's moving beyond the Gulf crisis toward the post-crisis phase.

The indicator used in this market is the "Bank of Abu Dhabi indicator." During the crisis, this indicator, which measures trends and share prices in the market, dropped significantly, to below the 1200-point barrier, and the

total price of shares of companies and banks exchanged in the market dropped from about 24 billion dirhams to about 20 billion dirhams.

When the crisis ended, the market came alive again, realizing a gradual increase in 1991. The Bank of Abu Dhabi indicator passed the 1500-point mark in November 1991, and reached 1520 points on 24 November 1991, its highest average ever. The indicator then began to drop due to developments regarding several principle shares, gradually falling to 1444.97 points on 11 December 1991 before rising again to 1460.59 points.

Governmental Changes and Their Effects on the Economy

Changes in the UAE government occurred in several areas in 1991. Some of these changes have economic aspects or economic effects.

The first change was made in late 1990, but its effects were felt in 1991. This change involved the November 1990 declaration of the formation of the current federal government under the presidency of Shaykh Maktum Bin-Rashid al-Maktum, vice president and ruler of Dubayy, with Shaykh Sultan Bin-Zayid Al Nuhayyan as deputy prime minister.

The activity of the November 1990 government had clearer effects in 1991 [than in 1990] on economic activity in the UAE and on a number of services related to the economic sector.

Perhaps the most salient effect is the decision to issue the 1991 budget in July, instead of at the end of the year, which was the government's practice during the eighties. In addition, the government managed to reduce the deficit in the 1991 budget to its lowest level in recent years, 667 million dirhams.

Realizing the importance of issuing the budget early in the year and the effect this has on economic activity in the UAE, the federal government seems to have made strenuous efforts to issue the 1992 budget early this year.

In its last meeting, the cabinet examined the draft budget submitted by the Ministry of State for Financial and Industrial Affairs, and asked the ministry to prepare a draft 1992 budget with the ministries.

Mr. Ahmad al-Tayir, the minister of state for financial and industrial affairs, disclosed that the draft budget for the current year totals 19.9 billion dirhams, is an increase of 3.5 billion dirhams over the 1991 budget, and that the deficit will be no higher than 4.2 billion dirhams.

However, the cabinet apparently wishes to reduce the current year's budget and proposed deficit to the 1991 levels. In its approaches, the cabinet stresses the importance of providing optimal services at the lowest cost.

A second governmental change with economic implications is the reorganization of the Executive Council of

the local government of the Emirate of Abu Dhabi. In November 1991, Shaykh Khalifah Bin-Zayid, the crown prince of Abu Dhabi, issued a decree, in his capacity as the deputy to the ruler of Abu Dhabi, to reorganize the Executive Council under his leadership.

The economic aspects of this change include the following:

1. The reorganization of two local agencies of two ministries; The first agency is concerned with the economy and the second is concerned with maritime ports. Shaykh Khalifah Bin-Hamdan Al Nuhayyan was appointed to head the former, and Shaykh Sa'id Bin-Zayid Al Nuhayyan was appointed to head the latter agency.
2. The introduction of new chiefs, or the rotation of current chiefs, of local agencies of ministries to make economic agencies more effective; The most salient changes include the appointment of Shaykh Hamdan Bin-Mubarak Al Nuhayyan to head the Civil Aviation Agency, the appointment of a new Planning Agency chief, and the transfer of the representative of the General Industry Organization to the Maritime Ports Agency.
3. The restructuring of the board of directors of the General Industry Organization, and the appointment of Shaykh Hamd Bin-Tahnun Al Nuhayyan as the organization's representative and board chairman.

The restructuring of the governmental apparatus in the Emirate of Abu Dhabi clearly aims to strengthen the emirate's economic role and to enable it to play a role commensurate with its capabilities as the largest oil producer among the emirates in the UAE federation.

The third change in the governmental apparatus is the restructuring of the board of directors of the central bank. Shaykh Zayid Bin-Sultan Al Nuhayyan, the president of the UAE, issued a federal decree on 18 December 1991 forming the board of directors of the central bank under the chairmanship of Shaykh Muhammad 'Id al-Muraykhi, appointing Mr. Jum'ah al-Majid deputy chairman of the board of directors, and Mr. Sultan Nasir al-Suwaydi as governor to replace Mr. 'Abd-al-Malik al-Hamar. The latter held the post for ten years. He played a key role in establishing the central bank, which is considered a testimony to the development of banking activity. He also played a major role in developing the central bank and surmounting crises in the UAE.

Economic Contracts

The UAE and specialized companies in the country signed important economic contracts in 1991. These contracts indicate continuing growth in the UAE in the nineties.

The largest contract, signed by the Emirates Airlines Company on 18 December 1991, is for the purchase of 14 advanced Boeing-777 planes. It is worth 7.4 billion dirhams (\$2 billion).

Shaykh Ahmad Bin-Sa'id al-Maktum stressed that the Boeing 777 was selected after an exhaustive technical and economic study based on sound commercial foundations that fulfill the company's needs beyond the year 2000.

He said that the company will receive the first seven planes during 1996 and 1997. The company has rights to purchase seven other planes for delivery by 2000. He added that the company's fleet will double during the next 18 months when delivery is taken on seven previously-contracted Airbus planes. Key figures in the UAE economy stress that the large investment made in this deal highlights expectations of continued economic recovery in the near future.

In addition, Abu Dhabi Gas Liquefaction Ltd. (ADGAS) signed a \$1-billion contract with the Japanese [Shiyoda] Company last November for the construction of a third production line at ADGAS' plant on al-Jazirah Das [Das Island]. The new line will double the plant's production of liquified gas and liquified petroleum gas. All of the production is to be exported to the Tokyo Power Company starting in April 1994, for a period of 25 years. ADGAS also signed contracts with Mitsubishi Heavy Industries to build two liquified gas tankers [each] with a 135,000-ton capacity as part of a \$600-million deal for four tankers, to which ADGAS has committed itself within its contract with the Tokyo Power Company, (TOPCO).

The two contracts are part of a long series of contracts leading the UAE toward the horizons of the nineties, especially in the oil and gas industry, which is being led without fanfare by the Abu Dhabi National Oil Company (ADNOC).

Economic Cases

During 1991, the UAE's name was linked to economic cases, even though the UAE did not play a primary role in these cases, and its economy was not adversely affected by them. The most salient such case is that of Bank of Credit and Commerce International [BCCI], which exploded after the Central Bank of England's closure of BCCI's branches in England on 5 July 1991, which was followed by the closure of BCCI branches in about 60 other countries.

Abu Dhabi's monetary authorities, which hold 77.4 percent of BCCI's shares, are working with liquidators to liquidate BCCI based on principles that preserve a certain percentage of the rights of shareholders and depositors. Efforts are still being made in this regard, the results of which could be announced in the next few days.

It should be stressed that this case remains far from the UAE's economy and banking market. Quick action was taken to sever the link between BCCI and the Bank of Credit and Commerce—Abu Dhabi. The latter's name was changed to the National Federation Bank [Bank al-Ittihad al-Watani]. In addition, the prices of the shares of some national banks, which dropped amid reports that these banks hold large deposits with BCCI, have started rising again and have not been affected by this case, whose problems have been confined within a limited scope, far from the UAE's market and economy.

Another case faced by the UAE concerns the loss incurred by the National Investment and Securities Corporation, NISCORP, due to management errors in its executive administration that resulted in major losses in the foreign currencies fund.

This problem, which emerged in the first months of 1991, is still before the judiciary in Abu Dhabi. It is being handled in the framework of NISCORP's general assembly with a view toward the liquidation or flotation of the company. This case will be decided in early 1992.

However, to be sure, the loss incurred by the company does not adversely affect the UAE's economy, because NISCORP is entirely a private stock company.

NISCORP, whose losses do not exceed 130 million dirhams (\$135 million [as published]), can be sold to domestic and Gulf investors at a price that covers all of its losses. Prospective buyers will be attracted by NISCORP's license, which permits it and its owners to trade in different types of stocks, real estate, and other investments.

The BCCI and NISCORP cases are affecting the banking market positively by prompting national banks and companies to review their positions, and by prompting domestic governments to intervene at the appropriate time to remedy imbalances before they become a problem.

It is in this context that International Emirates Bank [Bank al-Imarat al-Duwali] purchased, in December 1991, most of the shares of the Middle East Bank [Bank al-Sharq al-Awsat] in Dubayy, whose foreign branches are experiencing difficulties.

Banking sources stress that this purchase is a first step toward the merger of the two banks and the establishment of a larger banking unit, modeled on the experience in 1984 and 1985, which produced the Emirates International Bank in Dubayy and the Abu Dhabi Commercial Bank in Abu Dhabi. These developments directly underscore the continuation of the merger trend among small banks, the strengthening of national banks and investment companies, and the provision of a greater role to national leadership cadres in these banks and companies.

The UAE's economy does not differ greatly from the Gulf economy. Both are based primarily on crude oil and

gas, the establishment of an advanced oil- and gas-based industry, and the diversification of income sources through large investments in all fields of economic and commercial activity. All Gulf countries need to develop foreign markets, given the limited scope of their domestic markets and the Gulf market. They must also adopt a unified position abroad to further their interests as a market for imports, given that their individual import lists are nearly identical.

Accordingly, importance has been attached to the Unified Economic Agreement of the GCC countries, which constitutes the framework for combining the energies and capabilities of the six GCC countries regarding different aspects of economic activity.

Notwithstanding the important strides taken by the GCC countries in implementing this agreement, they have recently made efforts to set a timetable extending to 1999 for the implementation of all articles of the agreement and for arriving at a common Gulf market and currency.

The Gulf economy, including the UAE's economy, naturally extends deeply and broadly into the entire Arab economy. It affects it and is, moreover, considered a part of it and a complement to it.

However, to be sure, the relationship between the Gulf economy and the Arab economy will be within new frameworks that began to emerge in 1991 after the Gulf crisis ended, the most prominent being the economic part of the Damascus Declaration.

WESTERN SAHARA

Senegal: Moroccan Claim to Sahara Supported

92AF0362A Rabat MAROC SOIR in French
16 Jan 92 p 2

[Article: "It Is Over for the POLISARIO"; quotation marks as published]

[Text] "The Sahara problem is settled," and it is "all over for the POLISARIO [Popular Front for the Liberation of Saguia el Hamra and Rio de Oro]" writes the Senegalese weekly LE POLITICIEN in its last issue.

"The POLISARIO's situation is now hopeless," reports the paper. "The massive defection of its leaders and militants is sapping the separatist movement from within. The POLISARIO is packed with foreign mercenaries and diplomatically isolated. It is doomed."

An ancient map and a secret agreement that is dated 5 August 1890 were recently found. The agreement was signed between France and England, which were the colonial powers at the time. News organizations have already made much of the discovery of the two authentic documents, the paper stresses, because they overwhelmingly confirm that the Sahara is Moroccan.

LE POLITICIEN writes that holding a referendum has become "inopportune" because of the items that have turned up, "one after another," to prove that the Sahara is part of Morocco. "The Saharan provinces and their inhabitants obviously feel that the Sahara belongs to Morocco. This is just as true of those who left as a result of various manipulations and who are now flocking back to the Moroccan fold."

At the start of the Sahara conflict, says the paper, "we had occasion to visit the Tindouf camps. It was after we visited the Saharan provinces and assessed what was behind the admission of 'RASD' [Saharan Democratic Arab Republic] to the OAU that we began to feel certain that the Sahara was Moroccan."

Now that the Sahara question is now longer an object of mystification, "we feel comfortable in saying that the debate on Morocco's claim to the Sahara is over." The real debate, LE POLITICIEN stresses, turns on "whether a referendum would be opportune."

The Senegalese weekly adds that Morocco did everything within its power to facilitate—and nothing to obstruct—the task of the United Nations since its commission to prepare and supervise the referendum was set up. Mr. Manz, who is the president of the UN commission, not only recognized that fact, but described it as a clear sign of Morocco's fairness and willingness to cooperate for a just and definitive solution to an artificial conflict. The only victims of the conflict, the Senegalese newspaper indicates, are the Moroccan people.

"But beyond the issue of the referendum, Mr. Manz's departure makes us think harder about the unavowed motives of the manipulators who work in the shadows of the United Nations. These people are straitjacketed in the colonial mantles fashioned by the modern era's virtuosos in the art." The manipulators have been identified, the paper writes. "They all have an interest, given the 1993 deadline, in seeing Morocco distracted by straw men and temporarily diverted from its huge and successful effort to meet the challenge of a united Europe," the paper explains.

The weekly writes that Africa "does not have the right to be a passive accomplice to such sordid undertakings, which are obviously contrary to the continent's interests."

LE POLITICIEN points out that, of all the self-respecting organizations—starting with the United Nations, the Arab League, the OCI [expansion not given], the nonaligned states, and the UMA [Arab Magreb Union]—only the OAU made the mistake of recognizing the so-called "RASD" and admitting it as a member. LE POLITICIEN contends that if the OAU does not want to go down in history as "guilty of active complicity with the anti-Moroccan and anti-African lobbies, it has a sacred duty to question its stance right now and make the only possible decision: It must suspend, if not exclude, the 'RASD' until the situation is clarified."

The paper thinks that giving the OAU a role in supervising the upcoming referendums is "scandalous" and "nonsensical, since the African organization has already taken a stand on the matter."

REPUBLIC OF YEMEN

Information Minister on Relations With Neighbors

92AE0212A *London AL-HAWADITH in Arabic*
31 Jan 92 p 23

[Interview with Muhammad Ahmad Jirhum, Yemeni Minister of Information, in Cairo, date not given; First three paragraphs AL-HAWADITH introduction]

[Text] There are many issues in the Yemeni arena, including Yemen's need to review and reevaluate its position on the crisis of Iraq's invasion of Kuwait, especially since it is trying to clear the air in its relations with the Gulf states.

The interview dealt with relations with Oman, with which Yemen has reached an agreement on delineating the borders; the conflict within the ruling alliance; the law on parties; the delay in submitting the budget; and what we may call "the security disturbance," with the great number of assassination attempts and discoveries of weapons.

AL-HAWADITH put all these issues to Muhammad Ahmad Jirhum, the Yemeni minister of information, who attended the Conference of Ministers of Information of Islamic states in Cairo.

[AL-HAWADITH] It seems that we will have to discuss the possibility of Yemen reviewing all its recent policies, specifically those on the crisis of the Iraqi invasion of Kuwait, in view of this being a factor in softening up Yemen's Arab relations.

[Jirhum] There is no doubt that Yemen is constantly reviewing its positions and situation, not only because of the Gulf crisis, but because the world today is undergoing great changes. The review does not pertain only to the Yemen, but to all countries, in the context of Arab-Arab and Arab-Islamic relations, and in the context of relations imposed by the new situations that we see today. These changes certainly put great challenges before the Yemeni republic, and the political leadership attaches great importance to these issues, so as to formulate Yemeni positions towards all these changes.

[AL-HAWADITH] But we are talking specifically about Yemen's position on the Gulf crisis. Do you not believe that the matter needs to be reviewed?

[Jirhum] Our position was clear, but it was misunderstood. Yemen was the first Arab state to criticize Iraq's invasion of Kuwait, and it affirmed the sovereignty and legitimacy of the Kuwaiti regime. That was our position—which is recorded—in the UN Security Council, of

which we are a member. Yemen supported most of the resolutions on international legitimacy. We had wanted an Arab solution under international legitimacy at the negotiation table.

[AL-HAWADITH] May we know the extent of the crisis' negative impact on Yemen?

[Jirhum] The fact is that the Gulf crisis came under circumstances that brought greater complications for Yemen, in particular, for it came right after the unification of the two previous regimes, and thus it had a negative impact on the economic and political situation. The crisis brought us more new problems, not to mention the problems and difficulties of division. But we were able, as a unified Yemen, to absorb these effects and gradually contain them, and the political leadership and the government have been able to absorb the returnees in reasonable numbers. Those who were not absorbed, we were able to incorporate into the economic life of Yemeni society. There is also a program for national construction, through which we have been able to solve some of Yemen's basic economic problems.

[AL-HAWADITH] What about clearing the air of Yemeni relations with the Gulf states following the crisis?

[Jirhum] Since its establishment, Yemen has affirmed that its foreign policy arises from its being a factor of security and stability in the region. We are now trying to have natural, reciprocal relations with all neighboring states, and the response to the Yemeni effort differs from state to state. But what I would like to say and affirm is that we are eager to adopt natural relations with all sister states.

[AL-HAWADITH] It seems that the Sultanate of Oman might be the gateway to Yemen's resumption of natural relations with the Gulf states.

[Jirhum] It is true that Yemeni-Omani relations are a model of what we might reach when we embark on constructive and reciprocal dialogue with our sister states. I can say that Yemeni-Omani negotiations brought about a solution to the border issue, and the near future will see a final agreement reached, God willing.

[AL-HAWADITH] But Yemeni elements have criticized the government because of this agreement. What have you to say about that?

[Jirhum] The fact is that there are complicated issues, such as the border issue, and it is natural that such fears would arise. I believe that the basic issue is more than a matter of several kilometers; it is really brotherly relations between two brother peoples, and how these relations ensure mutual interests. When the final agreement is signed, the true extent of these fears, which arise out of lack of clarity of vision, will be apparent.

[AL-HAWADITH] Why had submitting the parties law been postponed up until now?

[Jirhum] The parties law is in the process of being confirmed. There were points over which the ruling alliance and the opposition differed, but these have been settled, and in light of that, the law was concluded.

[AL-HAWADITH] What was the point of conflict?

[Jirhum] Perhaps the most important one was the question of agreeing to a request for a license to announce the legitimacy of party activity, and that was what was reached.

[AL-HAWADITH] What are the most important features of the parties law in Yemen?

[Jirhum] The parties law lays down basic principles. These include forbidding a party to be based on a religious, sectarian, or tribal basis. It also bans the establishment of military formations or militias. It includes all bases of organizing party activity and political participation, on the basis of alternating power.

[AL-HAWADITH] Observers have stated that the delay [in submitting] the budget is an indication of differences within the ruling authority in Yemen.

[Jirhum] The budget has been decided upon by the government, and submitted to the representative assembly. It is on the assembly's agenda to be debated next March, so that the Finance Committee can be consulted, and its advice will be presented to the assembly during the debate. As for the government, it completed it at the end of last year, and what was said about this was greatly exaggerated, because the current scope of democracy has allowed what goes on in Yemen to be visible.

[AL-HAWADITH] Do you deny the existence of differences within the ruling alliance?

[Jirhum] It is natural for there to be differences of opinion or disagreements on this or that issue. That is one of the facts of life, and the tasks of administering the unified state are complicated. Differences arise even within the framework of a single party, so how do you imagine the alliance of two parties? But the mechanics of joint action allows these differences to be contained, and keeps them from ever getting out of control.

[AL-HAWADITH] Don't you think that the recent outbreak of assassination attempts and discoveries of arms caches are, in the end, an indication of instability in Yemen?

[Jirhum] The Yemeni people are basically an armed people, priding themselves in the bearing of arms. This is nothing new; it is in accordance with well-known Yemeni traditions. In spite of that, one of the main issues raised in the government program in the first term of this year was a report on internal security; taking

necessary measures to implement the laws on bearing arms; and intensifying cooperation between the government, the political leadership, and the various factions to put an end to the phenomenon of revenge. There are a number of national initiatives aimed at attaining a comprehensive, national peace between the tribes; at ending previous states of vengeance; at setting up a government system to ensure that such incidents would not be repeated; in addition to reviving the security organizations' role, and the role of the courts and the public prosecutor in facing these issues, which are one of the sources of security violations.

[AL-HAWADITH] What about the form of ending the transitional phase, which has lasted longer than scheduled?

[Jirhum] We have reached an agreement on ending the transitional phase this year, and on getting ready for the first round of free and direct parliamentary elections. The cabinet has formed a committee, which has almost completed the election plan and the procedural rules for organizing the next round of elections. When they are completed, they will be submitted to the political powers and the representative assembly for approval.

BANGLADESH

BNP Said Failing To Make Needed Adjustment

92AS0584D Dhaka HOLIDAY in English 24 Jan 92 p 1

[Article by N.M. Harun: "Paralytic Lull in Government Activities: BNP (Bangladesh Nationalist Party) Politics Still in Transition"]

[Text] Friends and foes alike of the present government seem to agree on one point—that it is a non-performing government. Which means that Prime Minister Khaleda Zia and her cabinet colleagues are not effectively and judiciously exercising power, but they are enjoying power all the same.

In the heady days of new-found power, the government over-sold democracy to the donors and unhesitatingly swallowed up the World Bank-IMF recipe, and at the same time promised the people, in an expansive mood, a welfare economy. By its own admission, the government has started to fail to deliver on both the ends. It is now complaining against World Bank-IMF prescriptions and is also trying to check the rising expectations of the people.

Indecision and confusion have, thus, become the order of the day in the management of the economy at the macro level. The public sector is neglected and hardly attended to. The private sector has remained estranged with the government, thanks to the latter's pin-pricking of the former. The employees and workers of both the sectors have become skeptical of the populist stance of the government. No wonder, the economy is in a state of standstill, if the process of retrogression has not already set in.

At the micro level, the ministers are, as it were, holding court at their Secretariat offices but are scared to death to give decisions lest they make mistakes or charges of corruption, nepotism and favouritism smear their reputation. Exercises of power and an obsessive fear of corruption cannot go together. Hence, a paralytic lull in government activities.

From where will come the money to foot the ever-increasing salary bills, finance the development work and provide the matching funds to implement the donor-aided projects?

Obviously, for this government, the business of the government is not business. How is it then performing in the political front?

Take the case of switchover from the presidential system to the parliamentary system. Contrary to the expectations raised in the wake of the all of the Ershad regime, the Parliament has been turned into a dull debating club of little consequence which the Prime Minister prefers to avoid. Her style of governance radiates the aura, aloofness and haughtiness of an all-powerful presidential system.

A mumbling protest is growing into an open criticism among the BNP parliamentarians themselves against the palpable disuse of the parliamentary system. Hence has come a suggestion from some quarters of the BNP leadership itself to reintroduce the post of deputy Prime Minister.

The Prime Minister is obviously in a dilemma. If she refuses to accept their suggestions, discontent in her party may grow further. Secondly, if she agrees to the suggestion, she should be prepared to share her leadership, both in the Parliament and the government, with others—a sort of polarisation in the BNP leadership between mass charisma and government leadership. Thirdly, if she goes to reintroduce the post, which was in the Constitution but was abolished through the 12th Amendment, through an executive order, that order may be challenged in the court as being unconstitutional. Fourthly, if she opts for constitutional amendment, she will need to make a trade-off either with the Awami League or with the Jatiya Party and Jamaat to marshal the required two-third majority in the Parliament. At what cost? For Awami League, the prize should be the support for the 1975 Indemnity Ordinance (Repeal) Bill; for the Jatiya Party, relenting legal pressure on former President Ershad; and for the Jamaat, granting citizenship to its Amir, Professor Golam Azam.

Thus, even in the field of the system of government, the ruling BNP is still passing through a period of transition. It has kept in abeyance the taking of hard political decisions in all other fields, including the reorganisation and restructuring of the party itself.

Strained Relations With Myanmar Detailed

92AS0584B Bangalore DECCAN HERALD in English
22 Jan 92 p 8

[Article by Atiqur Rahman]

[Text] The recent attack by Myanmar (Burma) border forces on an outpost of the Bangladesh Rifles (BDR), a paramilitary border force in the south eastern hill district of Bandarban, which is itself disturbed due to tribal insurgent activities, has exposed to the world a very explosive situation in the region.

The political developments inside Myanmar in recent months following the formation of a National Coalition Government of the Union of Burma by Opposition political leaders and increased insurgent activities by the ethnic Muslim population in the Arakan Province of Myanmar, bordering Bangladesh, has complicated the position further.

The attack on the BDR outpost at Naikhangchari by Myanmar forces on 21 December in which a naik of the BDR was killed and 22 others, including villagers, were injured, resulted in the mobilisation of troops by both Bangladesh and Myanmar and the subsequent military build-up in the area led to increased tension.

The influx of Muslim families in large numbers into Bangladesh from various places in Arakan Province, alleging atrocities by Myanmar forces, has put the Bangladesh authorities in a delicate position. Bangladesh is trying to resolve the crisis across the negotiating table and two flag meetings have already been held, the first one on 31 December and the second on 7 January, at Maungdaw in Myanmar and Teknaf in Bangladesh respectively. It seems the Bangladesh armed forces have some other plans because they are adding to the tension by leaking news to the media.

Ethnic Muslims, who are known as Ruhingyas, constitute 70 percent of the population in Arakan Province, one of 14 Provinces of Myanmar. Arakan was an independent Muslim State till 1784 and the Muslims had mostly migrated from various parts of the present Bangladesh. They speak an admixture of Arabic, Persian, Urdu and Bengali, known as Ruhingya, by which the entire community got its present identity.

Insurgency

Arakan Province borders about 176 miles of Coxsbazar, the tourist district, and the tribal district of Bandarban. The ethnic tribal population in the three hill districts of Bangladesh have been indulging in insurgent activity since 1975 under the banner of the Shantibahini. The Bangladesh Government, giving up its original plan of containing the situation militarily, resorted to tackle the ethnic problem politically and brought the insurgents to the negotiating table, a step which has, however, still not been completely successful.

Since the rule of the Bangladesh Nationalist Party (BNP) under the late Gen. Zia-ur Rahman, the mobilisation of the army in the hill districts was increased and it was given the responsibility of full control including administration and security. The tribal insurgents were allegedly given shelter by India, a charge which was always denied by Delhi.

Now there is news in the media that the tribal insurgents were not getting arms, financial support or shelter from India but have links with the Myanmar authorities. Myanmar has in recent months become the main source of arms for the tribal insurgents. There are even allegations that the various insurgent groups in Arakan Province were selling arms to tribal insurgents in the Hill Tracts. However, the Bangladesh Foreign Ministry denied any knowledge of the involvement of Myanmar.

On the other hand, the Ruhingyas are getting at least moral support and shelter from Bangladesh. Ruhingya insurgents have been openly roaming with arms in the Knila and Ukhia areas of Bangladesh, along the highway to Teknaf, the southernmost tip of Bangladesh and near the Myanmar border, since 1978. The DAINIK DESH, a Bangla daily published from Dhaka, was banned in May 1978 by Zia-ur Rahman for publishing a report with pictures of such presence. The Ruhingya Solidarity Organisation (RSO), one of the about 30 insurgent

organisations of Arakan demanding autonomy, is maintaining links from its office at Chittagong, a port town in Bangladesh. The Arakan Ruhingya Islamic Front (ARIF), another insurgent organisation, has set up its liaison office at Coxsbazar.

These two insurgent organisations had even arranged visits by teams of journalists to their camps deep inside Myanmar last year. The RSO, claimed to be a 40-year-old group, has a large number of training camps. ARIF, a very recently organised guerilla outfit, has only three training camps near Akyab, the capital of Arakan.

Well-Armed

Journalists teams found they had Soviet made AK-47 Kalashnikov assault rifles, M-16, G-3, G-4 carbine rifles, SMGs, mortars, rocket-launchers, anti-tank and anti-aircraft guns. They also claimed to possess napalm bombs. Their main source of arms, they claimed, were underground dealers in Bangkok who collect arms even from Cambodia.

The RSO is financed mainly by sympathisers working in the Gulf countries whose jobs were arranged by the Zia-ur Rahman Government in 1978. It is being trained by a man who had his training in Pakistan as a Mujahideen to fight against the Afghan forces. This establishes its links with Pakistan. RSO insurgents are also known as Mujahideens. It is an open secret that the ARIF, the other organisation, is financed by Rabeta-E-Alam-E-Al-Islam, a Saudi Arabia-based voluntary organisation having a strong base in Bangladesh.

Rabeta runs hospitals at Dhaka, Coxsbazar, and at Marichapalang, which is very near the Myanmar border. It is raising funds for the repatriation of the Bihari population who opted for Pakistan after the independence of Bangladesh. This is one of the main sources of finance of the Jamate Islami, a fundamentalist political organisation which had directly opposed the liberation of Bangladesh. The Jamate Islami, however, helped the Bangladesh Nationalist Party (BNP) Chairperson, Begum Khaleda Zia, to power after the last parliamentary elections. Only with its support was she able to form a government.

The Islami Chatra Shibir, the student wing of the Jamate Islami, maintains armed cadres in the Chittagong area, especially in Chittagong University where they resorted to killing students of pro-Awami League organisations. Some Bangladesh newspapers carried reports alleging that the main source of arms of the Islami Chatra Shibir are the Ruhingyas themselves.

The situation now prevailing in the Chittagong Hill Tracts of Bangladesh and along the Myanmar border is thus very complex. A peaceful solution of the problem will mean long-draw-out negotiations and involve many parties. The prolonging of the tension along the Arakan border helps Myanmar's military rulers.

The question arises as to why Bangladesh is fuelling the tension. There is a feeling in this country that the Bangladesh armed forces are trying to justify their large size by showing that they can, if necessary, be of use against the forces of Myanmar.

Government Inaction on Economy Regretted

92AS0584C Dhaka HOLIDAY in English 24 Jan 92 p 1

[Article by Hossain Khasru: "Historic Opportunity Slipping Out?"; boldface words, quotation marks as published]

[Text] With a representative government brought to power through a credible parliamentary election, Bangladesh has certainly got a "historic opportunity to get the economy moving on the path to higher growth." And the U.S. Ambassador in Bangladesh, William B. Milam, was obviously very right when, in his meeting last week with the members of the Bangladesh Chamber of Industries, he said Bangladesh has now reached "an important decision point."

It will be on 27 February next when exactly one year will be over after the country's open parliamentary elections through which the people gave their clear mandate. It has certainly not been a year of action—the taking of much-needed hard decisions on major economic issues. The question now remains how long the people will be waiting for the "decisions" to be taken and implemented by the representative government. Inaction on major economic issues has already eroded people's enthusiasm.

True, the representative government has had to face some ordeals in its initial months in power. Disaster management in the wake of the devastating cyclone and tidal surge of 29 April and a series of other natural calamities in the following months, revamping of the deformed administration and the switchover to the parliamentary system were no easy challenges for the new government. So the government must be given due credit for its handling of the overall transitional problems.

But then, the government has yet not been able to take 'hard actions' on the economic front, ignoring its own electoral pledges and also the imperatives of the "important decision point." The government functionaries are often heard talking about the need for a consensus on "major political and economic issues for the development of the country." It is certainly the prime responsibility of the government to take the initiative for forging such a consensus, if there is any need for it even after the clear verdict that the voters gave in favour of the election manifesto of the ruling party in the last parliamentary elections.

Perhaps, the government wants a "consensus" on major economic issues because it thinks that the 'hard reforms' that are necessary to stem the rot and pave the round for moving the economy on the path to higher growth will entail some political risks. Instability will then set in

because of the pressure tactics and political manoeuvrings by its opponents in league with the "vested interested groups"—be it the 'surplus' workforce or the recalcitrant trade unions and the other beneficiaries of a perverted system of economic operation where leakages of resources, losses and wastage of public funds have become an everyday affair. The government, perhaps, fears that the wave of such 'protests' may thus entail high political costs. If this is so, then it is a question of expediency. But such expediency does not add real strength to a government that represents the interests of broad sections of the people and not the minority 'vested interest,' however vocal they may be.

The imperatives for hard economic reforms for getting the economy moving in today's context are clear. Inefficiency must be removed on all fronts. Resource use and expenditures must be linked with productivity and specific set of goals. Wastage of resources must not be condoned in any sector. These imperatives hold true for anyone, whether in the government or in the opposition. Expediency on the part of political leadership, whether in government or in the opposition, does not pay in the long run. Those who are in the opposition today will have to face the same music tomorrow if they go to power. Because, in today's global economic environment, no nation can survive without efforts to prevent the wastage of resources, whether in the public or the private sector. For an aid-dependent country like Bangladesh, this is all the more a bitter truth, calling for immediate action.

About the consensus on major economic issues, it must be noted here that the parliament is the best forum where debates and discussions can forge the same. But, there has been no effort on the part of the government to take the major economic issues to the parliament. One wonders how and when can such a consensus be forged? And then, when will there be action at the 'important decision point?'

Further Reportage on Prosecution of Ershad

Misappropriation Charged

92AS0544A Dhaka THE BANGLADESH OBSERVER in English 5 Jan 92 pp 1, 10

[Text] The Attorney General on Saturday submitted before the Special Court that amassing wealth beyond known sources of income and misappropriation of gifts by former President H.M. Ershad have been proved by the witnesses, reports UNB.

The submission from Aminul Haq was made in the one-man court of district and sessions judge Mohammad Ali Khan when hearing of the corruption case resumed after more than a month.

The court heard deposition and cross-examination of 48 prosecution and 10 defence witnesses since the case started on 20 March last year. The inconclusive prosecution argument will resume today (Sunday).

The prosecution said evidences proved that Ershad who grabbed power overthrowing an elected President and ruled the country nearly nine years amassed wealth worth Tk.[Taka]2,21,65,238 including a cash of Tk. 1,90,81,565 beyond his life long known sources of income of around Tk. 73 lakh.

The cash, mostly in bundles of 500 Taka notes found wrapped in sarees and clothes in 22 trunks, was seized from Ershad's official residence Senabhavan soon after he was overthrown 6 December 1990 by a mass upsurge, witnesses had said.

As the prosecution was placing all the legal points to hook the accused, Ershad seated in an armed chair in the dock was found totally unconcerned. Wearing a grey woolen coat with white stripe and spotted chockolate colour time, the former President was reading the book "Light the Golden Lamp," collection of his poems translated and published in several languages including English and French during his presidency.

Sometimes he was also talking with his counsels and exchanging notes with them.

The Attorney General referred to the defence witnesses and said a desperate attempt was made by them to prove that the money belongs to the Jatiya Party and was kept with the party Chairman for ready payment against purchase of party house at Dhanmondi.

Defence plea that the Treasury does not accept cheque and that is why cash kept ready with party Chairman does not hold goods, said Aminul Haq. He quoted the Treasury Rule 33 and said payment to the government through the treasury may be made in cheque as well.

As for the other charge against the accused, the prosecution said the former President during his office received 120 items as gifts which he was suppose to deposit to the Government Toshakhana. Of those 31 items worth over Tk. 11 lakh were seized from the Senabhavan.

The other gift items earlier given away to his brother-in-law Mustafizur Rahman as personal effects were yet to be returned, the prosecution added.

Besides the cash of Tk. 1,90,81,565 seized from his official residence, Ershad's clandestine income was estimated by the prosecution as:

1. FDR [expansion not given] of Tk. 10 lakh with Sonali Bank.
2. Price of land and construction cost of Gulshan house Tk. 21.14 lakh.
3. Construction cost of Rangpur house Tk. 11.59 lakh.
4. Disc Antenna found at Senabhavan Tk. 2 lakh.
5. Shares of National Tea Company Tk. 25 thousand.
6. Pajero Jeep Tk. 3 lakh (duty free)

7. Personal effects Tk. 11 lakh.

8. Licensed arms Tk. 1.85 lakh.

Defense Claims Rejected

92AS0544B Bangladesh THE BANGLADESH
OBSERVER in English 6 Jan 92 pp 1, 10

[Text] The defence evidences in the corruption case against deposed President H.M. Ershad were on Sunday described by the prosecution as "absolutely blatant lies, concocted and fabricated" and designed to save the accused, reports UNB.

Making a strong argument in favour of the main charge of amassing wealth beyond known sources of income against the accused, Attorney General Aminul Haq dashed down the defence claim that the money found in Ershad's official residence belonged to Jatiya Party.

It is absolutely a blatant lie that more than Tk.[Taka]2 crore was raised by Jatiya Party [JP] through subscription from its rank and file and the money kept with party Chairman Ershad for buying the party house, observed the Attorney General.

Ershad was charged by the Bureau of Anti-corruption with amassing wealth of Tk. 1,21,65,238 including a cash of Tk. 1,90,81,565 beyond known sources of income estimated at around Tk. 73 lakh. The money found wrapped in sarees and clothes in 22 trunks was seized from Senabhavan, his official residence, soon after he was overthrown by a mass movement.

Continuing his argument the Attorney General referred to the defence evidence of Jatiya Party resolution of 11 July 1990 and submitted nowhere it was mentioned in the resolution that subscription will be raised for the purchase of the party house.

Again, he contended, according to the party constitution Jatiya Party's highest body is the Presidium and the second highest is the Central Executive Committee. But it is not clear which committee adopted the resolution for raising the fund.

The prosecution recalled deposition of defence witness Shah Moazzem Hossain (JP Secretary General) who said the party Central Committee had not decided to raise the fund. He could neither say which committee adopted the resolution.

Therefore, the very basis of fund raising as claimed by the defence falls through. It is absolutely a concocted paper of resolution to save the skin of Ershad," observed the Attorney General.

The Attorney General further recalled the statement of defence witness Tajul Islam who was claimed to have authorised to collect funds from the party rank and file. He contended that Tajul Islam had categorically stated that he himself did not receive money, office clerks (numbering six) did it from whom he (Tajul) later collected.

Whereas, the Attorney General argued, all the nine other defence witnesses said they had deposited the subscription to Tajul Islam. The inconsistent statements of the witnesses showed the defence claim is fictitious, he said.

Again, Tajul failed to give identity and addresses of the Jatiya Party office clerks who received the money so that they can be brought to the stand as witness, Aminul Haq pointed out.

The receipts against payment of subscription bears the signature of the Office Secretary. But the party constitution provides the receipts should have signature and seal of Treasurer and General Secretary, the prosecution argued.

The prosecution also pointed to the interpolations in money figures in the Jatiya Party registers which were submitted to the court as defence evidence. This, he said, tentamounts to forgery.

About the party constitution produced in the court by the defence, the Attorney General observed "it is fabricated, forged and a product of after-thought."

The Attorney General contended that it (constitution) bears no date of printing, name of the publisher nor the printing house. He said under the Printing and Publication Ordinance 1973 every book and paper published should have those and a copy should be submitted to the relevant department of the government. The so-called constitution of Jatiya Party suffers from gross violation of the law, he added.

This copy of the Jatiya Party constitution provides for keeping funds with the party Chairman and that funds may be raised without giving receipt signed by Treasurer and the Secretary General.

"This book was published after initiation of this case...even the printing press refused to divulge its name," the Attorney General submitted.

A different copy of Jatiya Party constitution produced by the prosecution was published by party Secretary General Mahmudul Hasan on 15 January 1984. It provides for keeping party funds with bank and that joint signature requires for withdrawal of money.

The defence claimed it was a draft constitution which was later finalised with amendments. The word "draft" was however not mentioned anywhere in the book.

Again, the prosecution argued that Section 5 of the Political Parties ordinance 1978 provides that all funds of a political party should be deposited in scheduled bank. Keeping funds with party Chairman negates the existing law.

The Attorney General referred to the seven letters Ershad wrote to the authorities including the Home Ministry following his detention. Nowhere in those letters he mentioned that he left behind such a huge amount of money of Jatiya Party at Senabhaban.

He argued that the accused had adequate chance to inform the authorities. It is an absurd proposition that he would not inform the authorities about Jatiya Party's money kept with him which he left behind in his official residence.

The Attorney General further argued that Mustafizur Rahman, brother-in-law of Ershad who was on the 8-member inventory committee that prepared the list of articles at Senabhaban also did not claim that the money belonged to Jatiya Party.

It was the onus absolutely on them (the defence) to prove that the money belonged to Jatiya Party, prosecution is not bound to examine each and everybody, argued the Attorney General.

He mentioned the unusual manner in which the money was kept in 22 trunks, and the unusual time of raising fund when the situation was boiling to a mass upsurge.

Referring to the defence's desperate attempt to prove that the money was kept with party Chairman for ready payment for the Dhanmondi house, the prosecution said such an argument is not acceptable for the Treasury Rules provide for payment in cheque as well.

As for the first charge of misappropriation of gift materials by the accused received during his tenure of presidency, the Attorney General said a total of 120 such articles were listed. After analysing and sifting the inventory, 31 article worth over Tk. 11 lakh were seized which were given to the Toshakhana.

Interrupting, Judge Mohammad Ali Khan, wanted to know the whereabouts of the rest of the 89 gifted articles as listed by the inventory committee.

The Attorney General informed the court that those were given to Mustafizur Rahman, nominee of Ershad for receiving his personal effects.

"Those must be returned," ruled the learned judge and said it cannot be that gift items are with someone for, the court must dispose of those gift materials—some belong to the government and some to Jatiya Party.

The Attorney General agreed: On recovery (of gifts) count, the court may pass an order.

The learned judge was heard directing his clerk: please note, those 89 items are to be produced before the court.

The court was adjourned till Monday morning when defence counsel Sirajul Haq just rose to place his argument.

Defense Argument Noted

92AS0544C Dhaka THE BANGLADESH OBSERVER
in English 8 Jan 92 pp 1, 10

[Text] Mr. Serajul Haq, chief defence counsel of former President H.M. Ershad in corruption case being heard in

Special Judge's Court, on Tuesday questioned the very legality of bringing criminal case against the former head of state, reports BSS.

Arguing for the second day on the charges of amassing wealth beyond Ershad's known source of income, Mr. Haq said "there is no expressed provision in the Constitution or any book of law where a President when he resigns or comes out of office could be tried in court." He asserted that "no offence is committed unless it is codified by law."

Mr. Haq said morality and Constitutional legality were not the same and, therefore, Mr. Ershad could not be prosecuted on moral ground in the absence of legal provision. He said if there was any need to punish him (Ershad) for any act, recourse to impeachment could have been taken.

The chief defence counsel described the charges brought against the former President as "mala fide and motivated" and added that those are not "permissible under law."

Earlier as the court resumed Tuesday's hearing, Barrister Kazi Shahadat Hossain, one of the defence counsels took up the argument saying there was "no charge at all against his client. He pointed out that the charges suffers from "inherent defect."

Explaining, Barrister Hossain said there was no evidence that "my client has misappropriated the gifts." The gifts were found either in Senabhaban or Bangabhaban, he said adding that it had not been proved by prosecution that the accused had misappropriated those gifts.

On the discovery of huge cash money, the other charge against the accused, the defence counsel said before his client could say anything, Jatiya Party leaders have claimed the money.

While placing his argument in the day, the chief defence counsel devoted a substantial portion of the time in pointing out the discrepancies and anomalies in the statements of prosecution witness. In all he examined the statements of 11 PWs [prosecution witnesses] who included investigating officers and members of the inventory committees.

Mr. Haq said while instituting the case against the former President, the prosecution did not follow the set rules. He further pointed out although the accused was arrested on 12 December 1990, FIR [First Information Report] was lodged on the 8th of the following month.

He said before FIR was lodged, the Jatiya Party [JP] leaders through letter to the acting President claimed the money amply demonstrated the bona fide of accused's claim that money did not belong to him. Moreover, he said, JP leaders also filed money suit as advised by the acting President to get back the money.

Mr. Serajul Haq said the gravest complaint that could be brought against the prosecution was that although the

former President was charged with possessing so much money and goods, he (Ershad) was not given a single chance to explain. "There was not the slightest effort to have his comments," the chief defence counsel said. He said this speaks of the intention of the prosecution.

The chief defence counsel further said Mr. Mustafizur Rahman, brother-in-law of Mr. Ershad was entrusted to receive the goods, but the prosecution made him (Mustafiz) the accused representative thereby have done great injustice to his client.

The court on Tuesday witnessed an ugly exchange of words between the lawyers of two sides after the chief defence counsel made some remarks on the case. The order was restored after the Judge Mohammad Ali Khan asked both sides to confine themselves to the case and refrain from uncalled for remarks.

The arguments from the defence side will continue today (Wednesday).

Prosecutor's Closing Argument

92AS0544D Dhaka THE BANGLADESH OBSERVER
in English 9 Jan 92

[Text] Attorney General Aminul Huq on Wednesday ruled out any political motive behind instituting the case against President H.M. Ershad and categorically stated that the corruption case against him (Ershad) was taken up much before the present government came to power, reports BSS.

Refuting observations of the defence that the present case is a "battle of throne" and also a "battle between ambition and beauty," the Attorney General asserted that the case was in fact a legacy being carried by the present democratically elected government. Since the case had begun before the present government took over, it (case) cannot be treated as politically-motivated, Mr. Huq said.

The Attorney General was presenting his final arguments in the corruption case on the fifth and concluding day of the arguments. Earlier, Chief Defence Counsel (CDC) Serajul Haq had put forward his arguments to prove his client's innocence in the charges brought against him.

The former ruler has been charged on two accounts—misappropriation of gifts valued over Taka 11 lakh and amassing wealth over Taka 2.21 crore beyond his known source of income. Taka 1,90,81,565 which was found in cash in Ershad's Senabhaban is the main element in this case. In all, 58 witnesses, including 48 from the prosecution side, testified in the court in this case.

Referring to defence's accusation that legal sanction was not there to prosecute the former President, the Attorney General said law has been changed and no sanction was required. Despite this, sanction was taken, the Attorney General said and added that, therefore, the allegation of mechanical or purposeful application of law of defence was not sustainable.

On defence's objection a former President cannot be tried as per law. The Attorney General said this exemption was applicable only when he is in office. He said after the earlier trial of Khandakar Mushtaque Ahmed, and H.M. Ershad in an arms case, that plea did not hold good now.

Referring to defence's question of trying the accused under the prevention of Corruption Act of 1947 which was described by them as "antiquated," the Attorney General said the Act of 1947 and that of 1956 mentioned by defence are complementary to each other.

The Attorney General in reply to defence's allegations of mala fide charges against former President said mala fide becomes "irrelevant when offence is proved by evidence." He said the fact that the accused has amassed wealth beyond his known source of income has been proved by the discovery of huge cash at his residence.

The Attorney General, with the help of documents, dispelled defence's accusations that Mr. Mustafizur Rahman, brother-in-law of Ershad was not the accused's representative. He showed that Mr. Rahman signed a number of papers as the representative of Mr. Ershad. The Attorney denied that the inventory committee had ransacked Senabhaban as alleged and said pricing of goods was not exact, but an appropriate estimate. The value of goods and articles might be a little less or a little higher, he added.

The Attorney General asserted that it had been proved beyond any shadow of doubt that the former President had committed crimes under Section 5 (1) C and 5 (1) E of the Prevention of Anti-Corruption Law.

Chief defence counsel Serajul Haq on Wednesday began arguments reiterating that the present court has no jurisdiction to try the former President and renewed his charge that case was instituted with "mala fide intention."

"The whole prosecution is mala fide," he said adding, "it is a case in which political interests is involved, to see that the rival meets a situation where he cannot come to power."

The CDC said the claim of his client that the money found at Senabhaban did not belong to him, has been testified that the money was deposited with Mr. Ershad as Jatiya Party Chairman to purchase a house for the party. He also mentioned government files containing the correspondence relating to the purchase of the said house with the money collected by JP through donations and subscriptions.

Mr. Serajul Haq further said that before the institution of the case, Jatiya Party leaders on 5 January last year (three days before filing FIR) wrote a letter to the acting President on money matters. Money suit was also filed by JP leaders claiming their ownership of the money, he added.

CDC who pointed out "inconsistencies and contradictions" in the depositions of PWS [prosecution witnesses], noted that prices of goods and articles found in his client's house have been overrated.

Mr. Serajul Haw wondered whether any failure to deposit gifts to Tosakhana was tantamount to an offence.

The court will resume on 11 January to examine the "gift articles" taken away from accused's brother-in-law Mustafizur Rahman. Judge Mohammad Ali Khan said the date of judgement in the case will be pronounced on that day.

Roushan Ershad Said Ready To Lead Jatiya Party *92AS0584A Karachi DAWN in English 30 Jan 92 p 13*

[Text] Dhaka: There is a possibility of the third woman entering into the political arena with a big bang. There are strong indications that former "first lady" Begum Roushan Ershad may be persuaded by her husband's Jatiya Party [JP] leaders to take up the leadership and clear the party of factionalism and infighting.

Begum Roushan, who was released 16 January on bail, has been contracted by a number of party leaders and well wishers of her husband now serving 10-year jail [sentences] for keeping illegal arms, has been told to get ready for shouldering the task of giving leadership to what was once the country's largest political party in the previous parliament.

Sources close to the Jatiya Party told DAWN on Sunday that former vice-president Maudud Ahmed and Secretary General Shah Moazzem Hossain were in favour of fielding Roushan into the politics cutting the existing acting chairman Mizanur Rahman Choudhry to a smaller size.

The two leaders are believed to have established direct contact with Roushan soon after her release from detention in a mansion in a posh Gulshan residential area.

Mrs. Ershad often dubbed as "Mrs. 10 percent" during her husband's rule, is facing five cases of corruption and misuse of power. Presently staying with her elder sister Momta Wahab, she is suffering from a number of ailments.

Although, on her release she had said that she was not interested in politics, during the later part of her husband's rule she had become very visible.

Mizan Choudhry likely to be most adversely affected by Roushan's entry into politics has discarded the idea of her involvement in Jatiya party affairs.

He described as "baseless and a figment of imagination" the report which said Roushan was approached by some top party leaders lead the organisation.

Choudhry said, "There is no division in the party. We are united under the leadership of Ershad."

But a number of important party leaders including Moudud Ahmed and Shah Moazzem Hossain are unhappy with Choudhry for his handling of the Ershad case during initial days of his trial.

A senior Jatiya Party leader said: "The kind of agitation and demonstration needed to harass the government into taking lenient view of Ershad was not staged much to the embarrassment for the party workers who were often seen at the streets calling for the leaders unconditional release from detention."

But some on the side of Choudhry blame Moudud Ahmed and Naziur Rahman Manju for withholding party funds needed for organising massive street movement in favour of the leader who incidentally won all the five seats he contested in the last parliamentary election from his home district Rangpur.

Political observers here feel that the entry of Roushan Ershad in politics may add interesting dimensions in the country's otherwise dull and obsessed politics. For a change, there will be somebody talking about a living persons other than "the dead father and the late husband."

Observers say that Roushan Ershad, during her husband's later part of the rule, had shown definite inclinations in favour of participating in politics and was seen almost everyday on the mini screen delivering speeches and meeting a cross-section of people.

Sources close to the family, however, has hinted that Ershad now suffering from many months of confinement and ailments, may take time to recover and understand her position and strength before plunging into politics. She may as well seek her husband's blessings before embarking on the thorny path of Bangladesh politics.

Political observers feel that if the present rate of erosion of public popularity of Bangladesh Nationalist Party [BNP] of Prime Minister Begum Khaleda Zia and that of Awami League led by Sheikh Hasina continued, there may be political compulsion to launch Roushan into politics to cash on the politics of sympathy.

Roushan might have overstepped her role as wife of the President but since she suffered confinement and is sick, may earn some sympathy among the common people who are forgiving types.

The most powerful lady of the Ershad regime came out in the open on 15 January after 401 days in captivity. Perhaps her experience has now given her an insight of the hair's breath distance between power and prison. And it may have also given her a jolt to see a new lady in

power who was once an arch political rival of her husband Eeshad. But the former first lady had to accept the reality, howsoever harsh and bitter.

Roushan is now sick, suffering from multiple complications, according to her family sources. She had to give up fasting after being released. She used to fast for the release of her husband now in Dhaka Central Jail. Her legs and right arm were swollen. She is also suffering from high blood pressure and is under treatment of a family physician.

Since her release, the sources said, there had been no contact of Roushan with Ershad. Her family members sought permission to meet Ershad on 18 January on the 10th birthday of their son Saad Ershad. The release of the former first lady reportedly sparked new hope and enthusiasm, among the workers of the Jatiya Party.

Meanwhile, English weekly Friday said after her release, a group of over-enthusiastic mid-ranking leaders and workers met Begum Ershad and called upon her to take up the JP leadership and look after the organisational activities until party chairman Ershad is released. There were also reports in some newspapers that the JP is almost divided on the question of leadership. But the move of placing her at the helm of JP apparently fell flat as she herself rejected the idea. "I'm not interested in politics," she told newsmen at her sister's residence on the day of her release.

When contacted, Acting President of Jatiya Party Mizanur Rahman Choudhry told this correspondent that the party did not discuss anything about bringing Begum Ershad into "politics." The question does not arise at all since our chairman is alive and we are alive. We are not facing any crisis in leadership as BNP faced after the death of president Ziaur Rahman."

Political observers say it will be difficult for Roushan Ershad to reactivate the Jatiya Party from its present condition by capitalising on the "image" of the deposed president who made an ignominious departure from state power amidst a series of charges of corruption and abuse of power. Begum Khaleda Zia rebuilt BNP by using the image of her husband, President Ziaur Rahman, and eventually succeeded in bringing the party back to power through popular mandate. Sheikh Hasina gave leadership to Awami League by upholding the image of her assassinated father, Sheikh Mujibur Rahman, and saw the emergence of the party as the major opposition in parliament. But the prospect of Roushan Ershad repeating the performance of the two ladies appears bleak even though some of her Jatiya Party admirers may have similar hopes.

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